JPRS-SEA-85-151
3 October 1985

Southeast Asia Report

DESTRUCTION STATEMENT A

Approved for public release;

* Distribution Unlimited

19980729 146

DTIC QUALITY ESEPECTED 3



FOREIGN BROADCAST INFORMATION SERVICE

Reproduced From Best Available Copy REPRODUCED BY
NATIONAL TECHNICAL
INFORMATION SERVICE
U.S. DEPARTMENT OF COMMERCE
SPRINGFIELD, VA. 22161

6 161 AP8 JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

SOUTHEAST ASIA REPORT

CONTENTS

BRUNEI		
	Brunei's First Political Party Sets Modest Goals (Mervin Nambiar; AFP, 15 Sep 85)	1
FIJI		
	Labor Party Leader Attacks Government (THE FIJI TIMES, 26 Aug 85)	3
FRENCH	POLYNESIA	
	Tahitian Militants Jailed (THE FIJI TIMES, 30 Aug 85)	4
INDONE	SIA	
	Jakarta Radio Welcomes Failure of Thai Coup Attempt (Jakarta Domestic Service, 11 Sep 85)	5
	Court Appeal of Condemned Communist Leader Denied (AFP, 15 Sep 85)	6
	Foreign Investment Promotion Mission Visiting Japan (ANTARA NEWS BULLETIN, 10 Sep 85)	7
	Minister Calls Japan Important Source of Capital, Technology (ANTARA NEWS BULLETIN, 10 Sep 85)	9
	Foreign Investment Mission Meets With Nakasone (ANTARA NEWS BULLETIN, 11 Sep 85)	11

	Joint Venture Contracts With Japanese Firms Signed (ANTARA NEWS BULLETIN, 11 Sep 85)	13
	Joint Stand To Be Adopted With Japan Against Protectionism (ANTARA NEWS BULLETIN, 11 Sep 85)	14
	Negative Reports on Transmigration in Irian Jaya Denied (ANTARA NEWS BULLETIN, 11 Sep 85)	15
	Chamber of Commerce Sets Up China Committee (BUSINESS NEWS, 11 Sep 85)	16
	Proposed Forming of ASEAN Common Market Viewed (Editorial; BUSINESS NEWS, 11 Sep 85)	17
	Indonesian Workers Advised To Enter Malaysia Legally (ANTARA NEWS BULLETIN, 31 Aug 85)	19
	Trade Surplus Reported for First Half of 1985 (ANTARA NEWS BULLETIN, 10 Sep 85)	21
	Chamber of Commerce Chief on Trade With PRC (ANTARA NEWS BULLETIN, 10 Sep 85)	22
	Decision on Nuclear Power Plant To Be Made Next Year (ANTARA NEWS BULLETIN, 12 Sep 85)	24
	Delayed Implementation of Public Works Projects Clarified (ANTARA NEWS BULLETIN, 10 Sep 85)	25
	Briefs Voting Rights Considered No Rice Exports Planned	26 26
LAOS		
	Children's Paper Column Names U.S. as Enemy of Laos (GNAOVASON LAO [LAO YOUNG PEOPLE], Mar 85)	27
	Writer Assails Western Influences on Youth (Vang Veun; NOUM LAO, 1-15 Feb 85)	28
	LPRYU Officer on Military Operations in Oudomsai (Chandi Gnang; NOUM LAO, 14-21 Apr 85)	30
	LPA Sergeant's Military Background, Unit Subordination (V. Chounmani; NOUM LAO, 1-15 Feb 85)	32
	LPRYU Plan on Defense, Economy, Organization Tasks (NOUM LAO, 14-21 Apr 85)	33

Letter Writer Complains About Temple Fairs (NOUM LAO, 1-15 Feb 85)	36
ALAYSIA	
RMAF Described as Aiming for Airpower (Shuhud Saaid; ASIAN DEFENCE REPORT, Jun 85)	37
Defense Spokesman Reviews Communist Groups (NEW SUNDAY TIMES, 8 Sep 85)	52
PHILIPPINES	
General Reaffirms Dialogue With NPA (PEOPLE'S DAILY FORUM, 17 Jul 85)	54
Young NPA Couple Describes Manila Urban Strike Force (Joel Paredes; ANG PAHAYAGANG MALAYA, 12 Aug 85)	56
SINGAPORE	
Leader Questions One-Man One Vote System (THE STAR, 22 Aug 85)	58
Economic Recovery Panel Established (THE STAR, 27 Aug 85)	59
Possibility of Devaluation of Singapore Dollar Ruled Out (AFP, 16 Sep 85)	60
Monetary Authority Ends Intervention in Forex Markets (AFP, 18 Sep 85)	62
THAILAND	
Railway Union Leader's Dismissal Discussed (MATICHON SUT SAPDA, 11, 25 Aug 85)	. 64
Dismissal Order, Background Information	64 67
Competing Interests, Conflicts Rival Leader Questions Ahmat Motives, Phayung Manichoti, Interview	69
TONGA	
Saudi Arabian Oil Depot Possible (THE SOUTH SEA DIGEST, 23 Aug 85)	76

CAMBODIA

PEOPLE'S REPUBLIC OF KAMPUCHEA

Phnom Penh Ridicules Pol Pot's Removal (Phnom Penh Domestic Service, 18 Sep 85)	77
Phnom Penh Commentary on PRK's Advance (Phnom Penh Domestic Service, 12 Sep 85)	79
Hun Sen Addresses Kompong Cham Party Meeting (Phnom Penh Domestic Service, 19 Sep 85)	82
Chea Sim Greets Bulgarian Fatherland Front (Phnom Penh Domestic Service, 19 Sep 85)	85
Bou Thang Confers Medals on Air Defense Forces (Phnom Penh Domestic Service, 10 Sep 85)	86
Report on Agricultural Developments	
(Various sources, 9-15 Sep 85)	87
Briefs	0,
Siem Reap Returnees Siem Reap Armed Forces Army Recruitment Misled Persons Return Bulgarian Defense Minister Greeted New Administrative Areas SRV Friendship Delegation Leaves Return of Delegation	90 90 90 91 91 91
VIETNAM	
MILITARY AFFAIRS AND PUBLIC SECURITY	
Briefs	
VPA General Staff 40th Anniversary	93
INTERNATIONAL RELATIONS, TRADE AND AID	,,
Delegations Score U.S. at Law of Sea Conference (Hanoi Domestic Service, 16 Sep 85)	94
VNA Reports Polish, Bulgarian, Cuban National Day Greetings (VNA, 7 Sep 85)	95
VNA Carries Joint Communique on Danish CP Visit	
(VNA, 10 Sep 85)	97

National Day Greetings From GDR, MPR, CSSR (VNA, 7 Sep 85)	101
Briefs Danish Party Delegations Hold Talks Rubber Cooperation Program Danish Communist Party Delegation SDI Program Berlin Fair	103 103 104 104 104
PARTY ACTIVITIES AND GOVERNMENT	
Chairman of Council of Ministers Hails Nghia Binh (Hanoi Domestic Service, 18 Sep 85)	105
To Huu Addresses District Building Conference (Hanoi Domestic Service, 17 Sep 85)	106
Truong Chinh's Address at Tri An Project Site ((NHAN DAN, 6 Aug 85)	107
Oil Exploration Units Receive Labor Order (Hanoi Domestic Service, 16 Sep 85)	112
Briefs Nghe Tinh Uprising Anniversary	113
ECONOMIC PLANNING, TRADE AND FINANCE	
Haiphong Pay Supplements Proceeding on Target (Minh Son; NHAN DAN, 1 Jul 85)	114
Vo Van Kiet Address on Transformation in South (NHAN DAN, 15 Aug 85)	117
NHAN DAN on Strengthening Socialist Trade (Editorial; Hanoi Domestic Service, 17 Sep 85)	129
SRV Army Paper Editorial on Economic Building (Hanoi Domestic Service, 15 Sep 85)	132
NHAN DAN Discusses Contract System Implementation (Editorial; Hanoi Domestic Service, 12 Sep 85)	135
Briefs New Economic Zones	139

AGRICULTURE

Application of S&T Methods in Agriculture in 1985 (Trinh Van Thinh; TAP CHI HOAT DONG KHOA HOC, Jun 85)	140
Thanh Hoa Flooding Jeopardizes Rice Crop (Hanoi Domestic Service, 17 Sep 85)	145
Waterlogged Area in Northern Localities Diminished (Hanoi Domestic Service, 18 Sep 85)	147
Briefs	
Ha Nam Ninh Flood Thai Binh Flood Control Hanoi Port Flood Control Heavy Rain Submerges Rice	149 149 149 150
HEAVY INDUSTRY AND CONSTRUCTION	
Coal Industry Support for Southern Provinces Noted (Tran Anh Vinh; TAP CHI HOAT DONG KHOA HOC, Jun 85) TRANSPORTATION AND COMMUNICATIONS	151
Briefs Radio, TV Anniversaries	156
HEALTH, EDUCATION AND WELFARE	
40th Anniversary of Anti-Illiteracy Drive Observed (VNA, 7 Sep 85)	157
Thanh Hoa Province Ravaged By Severe Flooding (Hanoi Domestic Service, 16 Sep 85)	158
Briefs	
Hau Giang Drought Control	159

BRUNEI

BRUNEI'S FIRST POLITICAL PARTY SETS MODEST GOALS

HK150420 Hong Kong AFP in English 0340 GMT 15 Sep 85

[Article by Mervin Nambiar]

[Text] Kuala Lumpur, Sep 15 (AFP)--Brunei's first political party in more than two decades has set itself a modest programme for political reform in the tiny oil-rich kingdom, Southeast Asia's last autocratic monarchy.

"We are not about to wrest power from the sultan or pressure him into calling for elections. There will be a time for all that," said Abdul Latif Awang Chuchu, secretary-general of the three-month-old Brunei National Democratic Party (BNDP).

The BNDP, which will be formally launched in the sultanate's capital Bandar Seri Begawan on September 29, is the first party registered by the Brunei government since British forces crushed a rebellion led by leaders of the now-outlawed Parti Rakyat Brunei in 1962.

Mr Latif said that it was up to Brunei's 38-year-old sultan, Sir Hassanal Bolkiah, to give his 250,000 subjects "a true taste of independence because we are no longer a British colony."

The BNDP leaders who are now visiting Brunei's neighbours to explain their objectives said they wanted a constitutional Islamic monarchy governed on democratic principles.

"Bruneians must have the freedom of thought and speech, the freedom to write, confer and assemble, towards prosperity and peace for all levels of society," BNDP President Awang Latif Hamid, a former legislative counsellor under British rule, said.

The harsh treatment meted out to the Parti Rakyat put a firm stop to almost all political dissent in Brunei, said observers familiar with politics there.

The party had won legislative polls before its move for full independence was slapped down by Britain with the sultan's blessing.

Many leaders were thrown into jail and although figures such as Zaini Bhmad escaped, many are still in prison.

Brunei finally gained full independence from Britain on January 1, 1984, and joined the six-nation Association of Southeast Asian Nations (ASEAN).

Secretary-General Mr Latif said, "The people can only understand the true meaning of independence if given freedom of speech and the right of assembly they are denied now."

The BNDP's nine-man central committee includes Chairman Pengiran Anak Hassanuddin, a second cousin of the sultan and Deputy Vice-President Awang Arshad Marsal, a former senior member of the Parti Rakyat Brunei.

Mr Latif said that there were no links between the BNDP and Parowltyakyat whose leading members now live in Indonesia and Malaysia.

"Our first task is to build up grassroots support," he said.

The party now has five branches with some 2,000 members and hopes to raise membership to some 5,000 by the end of the year.

"We are restricting membership to Moslem Malays," Mr Latif said, adding that the sultanate's estimated 60,000 Chinese "will be encouraged to set up their own party."

He said that the party would simultaneously campaign for more active involvement of ordinary people in the affairs of state, including giving Brunei's civil servants a bigger voice in government.

"We will eventually work towards total democracy but we have not set ourselves a time frame. We are not antimonarchy," he said.

Western diplomats here said they did not expect the BNDP's formation to dramatically alter the political scene in Brunei or check the almost absolute powers that the sultan and immediate members of his family wield.

They said that the BNDP leaders were mostly businessmen more likely to seek economic than political concessions.

"But they could have a role in the future as the sultan becomes increasingly burdened with the affairs of state and needs to show that there is some semblence of political participation by the people," a diplomat familiar with developments in Brunei said.

Mr Zaini, a former senior member of the Parti Rakyat Brunei executive now living here in exile, said he did not expect much change in Brunei "at least not for the next two years."

FIJI

LABOR PARTY LEADER ATTACKS GOVERNMENT

Suva THE FIJI TIMES in English 26 Aug 85 p 3

[Text]

The President of the Fiji Labour Party, Dr Timoci Bavadra yesterday said a Government Minister's criticism of the Labour Party showed the minister's insecurity about the Government's political future.

Dr Bavadra was referring to statements made by the Minister for Rural Development, Mr Apisai Tora, at an Alliance North-Central National Constituency meeting in Lautoka on Saturday.

Mr Tora had denounced the Labour Party saying that it was only of "nuisance value".

In a statement to the Press yesterday, Dr Bavadra said Mr Tora could have made better use of the meeting platform by informing the public about what the Alliance was doing to combat the many serious problems facing the nation.

Mr Tora could have, for instance, thrown some light on the Prime Minister's promise of 9000 new jobs in 1985, he said.

Dr Bavadra said the jobs, according to the Prime Minister, would have been generated through savings from the wage freeze.

Dr Bavadra, in his statement, called for Mr Tora to place a value on the Prime Minister's "unfulfilled promise" of jobs for the unemployed youths of the country.

He described as ludicrous Mr Tora's claim that only the Alliance could provide the peace and stability enjoyed by Fiji's citizens.

"The goodness in our people ensures tranquility for Fiji and not the mischievous and inciting behaviour of some of our politicians. Mr Tora should know that politics of fear will not work any longer in Fiji," Dr Bayadra said.

On the question of trade unions, the less said about Mr Tora's dismal record as a unionist, the better it would be for him, he said.

Dr Bavadra questioned whether Mr Tora still remembered the dire straits into which he put the sugar workers' and the building workers unions when he had headed these organisations as secretary.

However, Dr Bavadra commended Mr Tora for the interest he had shown in the Labour Party and for noting that the Labour Party did things in a systematic way.

In his statement, Dr Bavadra said the Labour Party received a wide measure of support from all sections of the community and it would not be long before Mr Tora and others in Alliance discovered the true st ength of the Labour Party.

FRENCH POLYNESIA

TAHITIAN MILITANTS JAILED

Suva THE FIJI TIMES in English 30 Aug 85 p 12

[Text] Papeete--Seventeen Tahitian pro-independence militants, including leader Charlie Ching, were given prison sentences ranging from two months to five years yesterday for a clash with police in March.

Some of the sentences were suspended and one of the "free Tahitians" militants was acquitted.

Ching was sentenced to 30 months.

All had been charged with armed grouping, assault and battery, rebellion before police, wilful destruction of property, arson and association with criminals.

The correctional court ordered the sentences demanded by the state, except in the case of Ching, for whom four years in prison had been requested.

JAKARTA RADIO WELCOMES FAILURE OF THAI COUP ATTEMPT

BK120524 Jakarta Domestic Service in Indonesian 1200 GMT 11 Sep 85

[Station commentary]

[Text] Two abortive coup attempts staged by the Thai Young Turks, under the leadership of Colonel Manun Rupkhachon, to try to wrest power from Thai Prime Minister Prem Tinsulanon show that a new commitment [preceding word in English] has emerged in that country—a commitment to the democratic process. The first abortive coup attempt took place in April 1981 when General San Chitpatima, backed by the Young Turks, tried to take control of the country. The second attempt occurred last Monday when General Soem Na Nakhon, also backed by the Young Turks, did the same thing.

Both attempts were aborted by the stance adopted by King Pumiphon Adunyadet, who wanted to end the military coup tradition in Thailand. With the occurrence of two abortive coup attempts during this decade, it is hoped that the military coup tradition will be abandoned in Thailand and that any change of power will be based on the logical outcome of a general election.

The new commitment is made possible through the existence of three factors that play a major role in Thai politics. First, the increasingly firm stance adopted by the king and royal family toward the process of democracy since the downfall of Marshal Thanom Kittikhachon in 1973. Even though there had been frequent coup attempts during the earlier three decades, the Thai head of state can no longer tolerate the takeover of power through military means in this decade. Second, the role played by General Athit Kamlang-ek in his capacity as supreme commander and army commander. The Thai poeple have begun to see him as a good leader who seriously pays attention to the people's welfare and sincerely tries to solve national problems in the military, political, economic, and social fields. Third, the role played by General Prem Tinsulanon in his capacity as prime minister, whose integrity, sincerity, and commitment to the democratic government are highly respected so that he has earned the sympathy of political parties. The position of General Prem, sharing power with General Athit and backed by the king and royal family, is definitely strengthened.

cso: 4213/331

COURT APPEAL OF CONDEMNED COMMUNIST LEADER DENIED

HK150840 Hong Kong AFP in English 0823 GMT 15 Sep 85

[Text] Jakarta, Sep 15 (AFP)--A former Indonesian communist youth leader has lost his final appeal through the courts against a death sentence handed down in 1971, well-informed sources said today.

Mr Sukatno, a former Politbureau member and secretary of the People's Youth Council was informed of the court's decision in his prison cell Thursday, the sources said.

There was no immediate official confirmation of the decision, and the sources said it was not yet clear whether Mr Sukatno would appeal for presidential clemency.

Diplomatic sources believe that Mr Sukatno and Mr Ruslan Widjaya Sastra, who took over the leadership of the Indonesian Communist Party (PKI) Politbureau in 1968, could be slated for execution before the end of the year.

The government has executed four elderly communist leaders by firing squad since May.

The PKI was banned in 1967, two years after it was implicated in an abortive coup attempt in which six generals and a colonel were slaughtered in Jakarta.

In the aftermath of the coup attempt, some 500,000 communists were killed and thousands were jailed.

Mr Widjaya Sastra became head of the communist party after it was banned, and after the rest of the leadership was either killed or captured. He was sentenced to death on subversion charges in 1974 and lost his final appeal in 1983.

Diplomats here see the execution of the communist hardcore leadership in the context of parallel moves to allow the bulk of the former communist detainees to take part in the next general election in 1987.

FOREIGN INVESTMENT PROMOTION MISSION VISITING JAPAN

Jakarta ANTARA NEWS BULLETIN in English 10 Sep 85 p A5

[Text] Tokyo, Sept 10 (ANTARA)—State Minister for National Development Planning concurrently Chairman of the National Development Planning Agency (BAPPENAS) J.B. Sumarlin said here Monday that basically Japanese businessmen were still willing to develop their investment ventures in Indonesia.

But on the other hand he stressed the importance of the Indonesian government and entrepreneurs' support in solving problems faced by already existing foreign capital investment ventures in Indonesia.

"The difficulties faced by these ventures will automatically have an unfavourable impact in the search for new foreign investments," he said in his explanations before officials of the Indonesian embassy in Tokyo and members of the foreign investment promotion mission, which is at present visiting Japan.

Minister Sumarlin is in Japan on a five-day visit to attract Japanese investors, accompanied by Junior Minister for Promotion of the Use of Domestic Products concurrently Chairman of the Capital Investment Coordinating Board (BKPM) Ginanjar Kartasasmita as well as by Director General of Taxes Salamun, several senior officials and 65 entrepreneurs.

Sumarlin who arrived in Tokyo Friday had meeting with prominent Japanese entrepreneurs to obtain a clear picture on their programs and perception about their ventures in Indonesia.

He gave explanations on the foreign investment situation and climate in Indonesia, mainly on tax problems, work and production permits, transfer of technology, finance, deletion program and other problems, such as the abolishment of the tax holiday, tax on added value, retribution and other problems pertaining to foreign investment.

He also explained about the new tax system in Indonesia, giving lower tax tariffs and a better depreciation system.

On work permits, Sumarlin promised to discuss the matter with Manpower Minister Sudomo.

He further explained about the new credit policy of the Indonesian Government, joint export ventures can obtain direct soft loans from government banks as well as from foreign banks operating in Indonesia based on a nine percent interest. For working capital and investment in rupiahs however, they have to apply at foreign and private banks.

MINISTER CALLS JAPAN IMPORTANT SOURCE OF CAPITAL, TECHNOLOGY

Jakarta ANTARA NEWS BULLETIN in English 10 Sep 85 p A8

[Text] Tokyo, Sept 10 (ANTARA)--Indonesia still considered Japan as the important source of capital and technology because that country was the biggest investor in Indonesia, Junior Minister for Promotion of the Use of Domestic Products Ginanjar Kartasasmita disclosed here Tuesday.

Speaking before a meeting between the Indonesian investment mission and some 300 Japanese businessmen here, Minister Ginanjar, who is also chairman of the Investment Coordinating Board, further said that the Indonesian Government still considered the importance of foreign investment in Indonesia in the light of supporting her current national development programs.

Therefore, he went on, the current visit of the Indonesian mission to Japan was aimed at renewing and strengthening the existing economic relations between Indonesia and Japan.

Describing on the existing close relations between the two nations, the minister said that about half of the Indonesian export of commodities was directed to Japan.

On the other hand, he continued, Japan also constituted a country from which Indonesia had been purchasing most of her imported goods. About a quarter of all Indonesian imported goods were coming from Japan, he added.

Touching on the Japanese investment in Indonesia, Ginanjar said that a number of 203 projects done under foreign investment scheme in Indonesia was coming from Japan.

The Japanese investors were engaging in the fields of automotive, basemetal, mining, chemical and textiles industries, he added.

On the occasion, the minister also explained that the Indonesian Government had been launching various efforts in the framework of improving investment climate and economic condition aimed at enhancing industrial competitiveness, which in turn would be encouraging investment in Indonesia.

In this connection, he went on, the visiting Indonesian investment mission wanted to discuss such efforts with the Japanese business circle in order to make the Japanese businessmen to renew their confidence in making investment in Indonesia.

While in Japan, the Indonesian mission will also sign nine investment contracts with the Japanese businessmen. The signing of the contracts will be done in Tokyo and Osaka.

The Indonesian investment mission is jointly led by State Minister for National Development Plan/Chairman of the National Developing Planning Board (Bappenas) Prof Dr J.B. Sumarlin and Minister Ginandjar.

The mission, which also involves 65 Indonesian businessmen, arrived in Tokyo on Monday and it will be in Japan for five days.

FOREIGN INVESTMENT MISSION MEETS WITH NAKASONE

Jakarta ANTARA NEWS BULLETIN in English 11 Sep 85 pp A6,A7

[Text] Tokyo, September 11 (ANTARA) -- Japan's Premier Yasuhiro Nakasone has stated his support to the effort to promote economic cooperation between Japan and Indonesia by increasing contacts between Indonesian and Japanese businessmen.

Nakasone made the remark when he received visiting Indonesian Minister of National Development Planning/Chairman of Bappenas (National Development Planning Board) Prof Sumarlin and Junior Minister of Use of Domestic Products/Head of BKPM (Investment Coordinating Board) Ir Drs Ginanjar Kartasasmita at his office here Tuesday.

Sumarlin told the press after meeting with Nakasone that he had discussed with the Japanese leader ways to step up economic relations and cooperation between the two countries.

The stepping up of business contacts between Indonesian and Japanese businessmen like what currently being done by the Indonesian investment mission is part of the enhancement of bilateral cooperation, he pointed out.

The talks also concluded the importance of maintaining Japan's imports of crude oil from Indonesia at 15% of the entire oil imports of that East Asian state.

The Japanese Prime Minister promised to make any effort and to urge oil consumers in Japan to seek ways to meet the target of 15% in using Indonesian crude oil, Sumarlin explained.

The discussion included the Nakasone's action program to increase Japan's imports from other countries, including Indonesia, the minister disclosed.

In this context, Sumarlin revealed that Indonesia should utilize the Nakasone's action program, especially in the promotion of non-oil/gas exports.

For the purpose, the Indonesian investment mission urged Japan to increase plywood imports from Indonesia, Japan should not wait till 1987 to raise its plywood imports, because the expansion of Japan's plywood imports is in line with the Nakasone's action program, he said.

The Japanese Head of Government on the occasion stressed the need to launch the second campaign of the General Agreement on Tariff and Trade (GATT) to combat protectionism.

Such a campaign should be conducted as soon as possible so that inflation all over the world can be overcome soon, he said.

During the talks with Nakasone, Sumarlin and Ginanjar were accompanied by Indonesian Ambassador to Japan Wijogo Atmodarminto.

The Indonesian investment mission signed here Tuesday afternoon ten investment contracts worth US\$347 million between Indonesian businessmen and Japanese investors.

JOINT VENTURE CONTRACTS WITH JAPANESE FIRMS SIGNED

Jakarta ANTARA NEWS BULLETIN in English 11 Sep 85 p A3

[Text] Tokyo, Sept 11 (ANTARA)—Ten joint venture contracts worth US\$347 millions were signed during a ceremony here on Tuesday by Japanese companies and Indonesian businessmen joining in the visiting Indonesian investment mission.

Eight of the contracts had been long prepared, while the other two contracts were just completed ten minutes before the signing.

The biggest contract involves a joint venture on chemical industry between the Asahi Glass Co. Ltd and PT Subentra of Indonesia with an estimated capital of US\$193.7 millions. This contract was signed by the president director of the Asahi Glass Co. Ltd., T. Sakabe, and the General Manager of PT Subentra, Sudwikatmono.

The chemical industry to be located in Merak, West Java, will be producing 225,000 metric tons of vinyl chloride monomer (VCM), 140,000 metric tons of polyvinyl chloride (PVC), and 160,000 metric tons of caustic soda per annum.

Joint venture contracts on automotive spare-part industries worth US\$115.2 millions were signed by representatives of the Toyota Motors, Mitsubishi, Daihatsu, Mazda and Hino Motors of Japan and Indonesian businessmen representing PT Krakatau steel, PT Sapta Panji Manunggal, PT Nuraga Masa Dharma and PT Astra International.

Other joint venture contracts on automotive spare-part industries were signed by representatives of the Daikin Manufacturing Co and C. Itoh Co. Ltd of Japan and a number of Indonesian businessmen. These contracts involve an estimated capital US\$13 millions.

Meanwhile, the Niigata Engineering Co. Ltd, signed a contract with PT Nugra Santana involving a joint venture to produce agricultural machineeries with an estimated value at US\$10 millions.

Six other contracts involve joint ventures for the production of chemials technical assistance for joint study on gas industries, off-shore oil drilling and other industrial fields.

JOINT STAND TO BE ADOPTED WITH JAPAN AGAINST PROTECTIONISM

Jakarta ANTARA NEWS BULLETIN in English 11 Sep 85 p A8

[Text] Tokyo, Sept 11 (ANTARA/KYODO)--Japan and Indonesia agreed Tuesday to take a joint stand against protectionism in the United States and Western Europe at a special ministerial session of the General Agreement on Tariffs and Trade (GATT) set for September 30 to discuss the controversial new round of multilateral trade negotiations, a top Indonesian government official said.

Johannes B. Sumarlin, visiting Indonesian Minister of State for National Development Planning, said that he reached the agreement during his 30-minute meeting with Japanese Prime Minister Yasuhiro Nakasone at the latter's official residence earlier in the day.

He said he sounded out Nakasone as to whether Japan "can accelerate the lowering of import tariffs on plywood" before 1987 as clarified in Japan's latest "Action Program" to permit foreign products wider access to the Japanese market.

He also asked Nakasone for stepped-up Japanese direct investment in Indonesia, he said.

In reply, Nakasone said Japanese direct investment could be further accelerated if Indonesia improves its investment environment, according to officials attending the meeting.

Sumarlin also disclosed that 11 Indonesian firms in his 100-member investment mission signed contracts and other agreements the same day with 16 Japanese firms, to the value of some 364 million dollars.

The contracts and agreements cover such areas as the production of industrial chemicals, automotive components, diesel engines and agricultural equipment, and the development of an industrial gas processing plant and an offshore oil drilling facility, he said.

NEGATIVE REPORTS ON TRANSMIGRATION IN IRIAN JAYA DENIED

Jakarta ANTARA NEWS BULLETIN in English 11 Sep 85 p A5

[Text] Jakarta, September 11 (ANTARA)—The negative judgment made by certain people on the implementation of the transmigration programme in Irian Jaya Province is untrue.

"The association between transmigrants and the local people runs smoothly without any disturbance," spokesman of the Commission IV (in charge of transmigration affairs) of the House of Representatives (DPR), Steef Patriek Nafuni, said at the DPR planery session led by Deputy Housespeaker Nuddin Lubis here Tuesday.

The development of resettlement area in Irian Jaya, according to the Commission in fact is aimed at stepping up development in the area.

Regarding this, the Commission IV stressed the need for improvement and further actions for that programme.

Among steps that should be taken for the improvement are the transmigrant resettlement must be given priority in the border area and the stepping up of information campaign and guidance, particularly for the local transmigrants so that they could catch up with the Javanese transmigrants in the agricultural sector.

The parliamentarians also urged the government to intensify other sectors in the resettlement area such as education, medical services, plantation and animal husbandry development, irrigation, road and bridge construction as well as the electricity for rural people programme.

CHAMBER OF COMMERCE SETS UP CHINA COMMITTEE

Jakarta BUSINESS NEWS in English 11 Sep 85 p 9

[Text] The chairman of Kadin (Indonesian Chamber of Commerce & Industry), Sukamdani S. Gitosardjono, through his letter No SKEP/078/DPH/IX/1985 dated and effective from September 9, 1985, has set up the Chinese Committee of Kadin.

H.M. Taha has been appointed chairman of the Kadin's Chinese Committee which has 73 members, including heads of commodities groups. Kowara is head of the advisory council of the committee and Sukamdani is head of the development board of the committee.

The task of the Kadin's Chinese Committee is to deal with direct trade activities between Indonesia and China through the exchange of visits between Indonesian and Chinese businessmen with recommendations from Kadin for Indonesian businessmen and from CCCPIT for Chinese businessmen.

The exchange of visits is expected to help Indonesian businessmen find their counterparts in China or Chinese businessmen to meet their counterparts in Indonesia, in accordance with the kind of commodities they offer. Apart from that, direct contacts between Indonesian and Chinese businessmen will avoid the interference of business circles from the third countries in trade between the two countries.

PROPOSED FORMING OF ASEAN COMMON MARKET VIEWED

Jakarta BUSINESS NEWS in English 11 Sep 85 p 2

[Editorial: "ASEAN Leading to Common Market?"]

[Text] When Golkar held a discussion on ASEAN, both panelists and participants mostly criticized the lack of advancement in the field of economic cooperation.

ASEAN was upon its establishment more based on motives of politics and security in the region, in the wake of the Vietnam war. But cooperation in security and defence could not be explicitly mentioned in its charter. It was then agreed that cooperation in the economic, social and cultural areas would become the primary goal.

Cooperation in the economic sector cannot be directed at the setting up of a common market. Indonesia is against this idea, and Malaysia seems to adopt the same attitude. Hence trade cooperation is based on preferential treatment towards fellow ASEAN countries. It means that imports from ASEAN neighbours are granted import duty tariff reductions to stimulate trade and offset too high cost prices. Besides this system of preferential trade arrangements (PTA) there are various kinds of cooperation in investments, between governments as well as private companies.

Since the ASEAN Concord in Bali in 1977, as the starting point of practical economic cooperation, many arrangements have been jointly concluded but in practice they do not yet significantly produce increased inter-ASEAN trade and investments.

One of the panelists at the Golkar forum therefore put forward his idea, whether it is not worthwhile for Indonesia to launch a daring move and declare its preparedness to accept the idea of establishing a common market in ASEAN.

This is based on the reason to give a new and strong political and ideal push (or pull) to promote the economic cooperation in trade and investments. On the ground of the "mandate" already granted, which in fact is fairly advanced, the practice is not encouraged because the instinct of each member remains highly protectionistic, even towards fellow ASEAN countries.

Indonesia has the biggest market, but its industrialisation is most backward. The domestic market is thus regarded as the main asset for industrialisation. Anything that can be locally produced should be subject to import prohibition.

This stage of import substituting industrialisation is actually already outdated for Indonesia, and at present the process of industrialisation is facing stagnation as a result of domestic market saturation. If the upstream industry is now granted bigger protection, the downstream industry bears the high cost; consequently the latter fails to export and the domestic market remains saturated.

But Indonesia's backwardness (in industrialisation) still constitutes a practical and psychological barrier to the advancement of ASEAN economic cooperation, even an impediment to serious implementation of PTA and AIJV (ASEAN industrial joint ventures).

The fear of the effect of economic integration involves the possibility that countries with more advanced industries than Indonesia's may spread their wings even broader, and Indonesia will remain a mere marketing ground rather than a new industrial location.

This can indeed happen if the economic condition and its rules are unfavourable. But Indonesia also has its own appeal viz. its abundant and low-cost labour; furthermore, it has the densest market. Many industries will always be attracted by the proximity of their locations to the market, as long as the infrastructure is all right and there are no bureaucratic and other manmade bottlenecks.

PRC is today increasingly feared to become a major rival in the future. If we are "afraid" of PRC then our neighbouring nations can also feel the same based on the same reason and potential. Indonesia has the potential to become an industrial power to be reckoned with, provided that its industrial facilities are efficient. It is competition that can stimulate the development of productivity. Protection will soothe it to sleep.

If the idea of setting up an ASEAN common market is agreed upon as a target, for instance at a summit, its implementation will surely take ten years or more. A lot of study commissions will at first be formed, followed by preparatory committees, then the rules, phases and schedules of implementation will have to be negotiated between the six member countries. One of the questions regarding the scope of integration is, will the labour market become one, in the sense that Indonesian workers can freely seek jobs in the other ASEAN countries?

In the meantime, the existing systems continue to be realised, namely PTA, AIJF, etc. However, the implementation of these systems will get fresh air in the form of a new ultimate goal, a new sense of direction.

INDONESIAN WORKERS ADVISED TO ENTER MALAYSIA LEGALLY

Jakarta ANTARA NEWS BULLETIN in English 31 Aug 85 p A7

[Text] Jakarta, Aug 31 (ANTARA)--Malaysian Ambassador to Indonesia Muhammad Khatib Bin Abdul Hamid has called on Indonesian workers who want to get employment in Malaysia to use official channels so as to avoid undesired problems.

Speaking Saturday on the 28th anniversary of the Malaysian National Day August 31, Ambassador Muhammad Khatib said there is actually no problem between the two governments because an agreement on the distribution of Indonesian workers employed in Malaysia had been signed by the Indonesian Manpower Minister Sudomo and Malaysian Deputy Prime Minister Musa Hitam early May last year in Medan.

He said the Malaysian work force is actually sufficient to meet the existing employment demand particularly by plantation enterprises, but the problem is that Malaysian young generation does not have interest in doing that bluecollar work.

"They prefer to work as government officials or do jobs where they can just sit behind the desk without having to sweat," the ambassador said, ascribing this change in work pattern to the effect of technological progress that demands more brain than physical strength.

Ambassador Muhammad Khatib repeatedly stressed the importance of using this official channel especially in avoiding any illegal entry of Indonesian workers into Malaysia, who are exploited by irresponsible parties either from Indonesia or Malaysia.

Touching on the educational cooperation between the two countries, he admitted that the number of Malaysian students studying in Indonesia had lately declined in comparison with during 1970s.

He said this was due to the growing interest of Indonesian students to study at universities, whereas the educational facilities are still limited.

In enhancing educational cooperation between the two countries, during the visit of Malaysian Prime Minister Seri Mahathir Mohammad to Indonesia in March this year, President Soeharto has expressed his willingness to allow 100 Malaysian students every year to proceed study in various universities in Indonesia like University of Indonesia the Bandung Institute of Technology, the University of Gajah Mada.

TRADE SURPLUS REPORTED FOR FIRST HALF OF 1985

Jakarta ANTARA NEWS BULLETIN in English 10 Sep 85 p A1

[Text] Jakarta, Sept 9 (ANTARA)--Indonesia's trade balance for the first semester (January to June) 1985 recorded a surplus of US\$4,237 million, according to data at the Trade Ministry Monday.

Indonesia's exports for the first semester of 1985 reached a total of US\$9,461 million in value, compared with its imports standing at US\$5,224 million.

The exports were shared US\$4,671 million by oil commodities, US\$1,865 million by liquefied natural gas, and US\$2,925 million by nonoil and nongas commodities.

The data showed that Indonesia's current exports were still dominated by oil and gas commodities.

Indonesia's nonoil and nongas exports comprise largely processed timber like plywood, sawn timber and furniture, coffee, rubber, tin, palmoil, frozen shrimp, tobacco, pepper, handicraft products, fertilizer, cement and electronics.

Most of them went to Japan, the United States, the EEC, Singapore, Hongkong, South Korea, and other Eastern European countries such as the Soviet Union, Hungary, Poland, Czechoslovakia and Middle East.

Indonesia's oil and gas exports largely went to Japan, the United States and South Korea.

Indonesia's imports for this semester consisted of US\$619 million shared by oil and gas commodities and US\$4,605 million by nonoil and nongas commodities particularly capital goods such as industrial equipment and industrial raw materials.

CHAMBER OF COMMERCE CHIEF ON TRADE WITH PRC

Jakarta ANTARA NEWS BULLETIN in English 10 Sep 85 pp A3, A4

[Text] Jakarta, Sept 10 (ANTARA)--A senior official of the Indonesian Chamber of Commerce (KADIN) has warned that efforts to enhance the direct trade relation between Indonesia and China was not an easy task so that assistance from all sides should be enlisted.

Addressing a thanksgiving ceremony to mark the forming of China Committee of KADIN, Monday night here, KADIN General Chairman Sukamdani Sahid Gitosardjono said that the China Committee of KADIN should step up efforts to streamline the trade relation between the two countries.

"China Committee of KADIN Indonesia should coordinate the implementation of direct trade relation between the two countries," he said.

To date KADIN has had relations with various countries including United States, Japan, South Korea, European Economic Community, East European countries and Arabian countries. Indonesia has established diplomatic relations with all of those countries, while relation with China that had been freezed since the abortive coup of 1965 has not yet thawed.

The diplomatic relation with China which offers a large market share had been lately voiced by some figures from both sides but the Indonesian government is at present not yet considering the possibility of the diplomatic ties.

Sukamdani said trade relation between the two countries should be stepped up. He therefore urged the China Committee of KADIN Indonesia to endeavour for the acceleration of mutual trade relations.

In this respect he asked the two commercial body for enlisting the government assistance if it is deemed necessary.

In response to that, the secretary of Junior Minister/Secretary of Cabinet Hartarto said that the government will make efforts in making the direct relation between the two countries a success.

The direct trade relation between China and Indonesia has taken place following the signing of the agreement on the case by representatives of the two sides in Singapore last month.

Prior to the direct trade relation, the two sides have conducted business activities via third mediating countries such as Singapore and Hong Kong.

DECISION ON NUCLEAR POWER PLANT TO BE MADE NEXT YEAR

Jakarta ANTARA NEWS BULLETIN in English 12 Sep 85 p A4

[Text] Jakarta, Sept 11 (ANTARA)--Director General of the National Atomic Agency (BATAN) Ir. Djali Ahimsa has said that the government would determine whether or not it is important to establish a Nuclear-powered Electricity Plant (PLTN) after a feasibility study in March next year.

Ahimsa said this to reporters after opening an Indonesia-Canada nuclear power symposium at the Borobudur hotel here Wednesday.

He said that the location of a PLTN had been determined namely in the Jepara north coast, Central Java. It was said that the location is free from the bad effects of earthquakes and human resettlement.

He said it was not yet determined whether Indonesia would adopt the nuclear technological system of the United States or of Canada.

Ahimsa pointed out that Canada's technology had been growing rapidly in that country and abroad, like in Korea and Romania.

He said that PLTN system constituted the safest compared with plants using other types of power.

He said that the establishment of the PLTN would need careful consideration as it concerns long-term development. That is why Indonesia is studying this kind of nuclear technology from advanced countries which have been using PLTN.

Meanwhile, Director of Atomic Energy of Canada Limited (AECL) Robert Despres said that Canada had a close relationship with Indonesia in the field of nuclear research.

Despres said the relations were further strengthened when an agreement on design, construction, supply of equipment and staff training for a supporting nuclear reactor laboratory was signed in Serpong three months ago. He said that a research in the field of high technology constituted a basis for the development of industry and for the export of latest products.

DELAYED IMPLEMENTATION OF PUBLIC WORKS PROJECTS CLARIFIED

Jakarta ANTARA NEWS BULLETIN in English 10 Sep 85 p A1

[Text] Jakarta, Sept 10 (ANTARA)--Delays in the realization of various projects under the Public Works Ministry have so far been caused by slow disbursements of external aids in addition to problems on land clearance Indonesian Public Works Minister Suyono Sosrodarsono said Monday.

Speaking at the opening of the ministry's working meeting, he cited many factors that have made disbursements slow, among them, unavailability of domestic funds to keep up with the external assistance.

Concerning the land clearance problems which is often the cause for the delayed project realization, the minister has instructed the project officers to tackle the problem according to a special schedule, such as in the case of dealing the project's design and implementation plans.

The realization of projects under the Public Works Ministry for the 1985/1986 fiscal year up to July has only reached nine percent, compared with 15 percent in the same period of the last fiscal year.

BRIEFS

VOTING RIGHTS CONSIDERED--Jakarta, Monday, MERDEKA--Presidential Directive No. 63/1985 on "The Procedures to Consider the Restoration of the Voting Right for Indonesian Citizens Involved in the 30 September Movement of the Indonesian Communist Party [G 30 S/PKI]" states that Indonesian citizens involved in the G 30 S/PKI rebellion may have their voting rights restored after close scrutiny. The government will consider restoring the voting rights of all those belonging to Category C [people suspected of direct or indirect complicity in the rebellion], Category A [people directly involved in the rebellion], and Category B [people indirectly involved in the rebellion]. [Excerpt] [Jakarta MERDEKA in Indonesian 10 Sep 85 p 1]

NO RICE EXPORTS PLANNED--Jakarta, September 11 (ANTARA)--Indonesia will not export its rice though it is now self-sufficient in food supply, for fear that the export will disturb the equilibrium of the world rice market, Minister/Chief of the National Logistics Board (BULOG) Bustanil Arifin said. After meeting with President Soeharto, Bustanil Wednesday told reporters that the price of rice in the world market today was already too low, only US\$150 per ton. He said if Indonesia exported 100,000 tons of rice the world price level would drop by US\$5 per ton and if the export came to 500,000 tons the price would come down by no less than US\$25 per ton. Bustanil reported that Bulog's national stock at present amounted to about 3.5 million tons rice equivalent, or two million tons of hulled rice and two million tons of unhulled rice. [Text] [Jakarta ANTARA NEWS BULLETIN in English 11 Sep 85

LAOS

CHILDREN'S PAPER COLUMN NAMES U.S. AS ENEMY OF LAOS

Vientiane GNAOVASON LAO [LAO YOUNG PEOPLE] in Lao Mar 85 pp 3, 6

[Excerpts] Dear children friends, even though the contest for answering questions about the Lao People's Revolutionary Party was held for only a short time, there were 333 participants. Most of the answers received good scores.

Our editorial staff would like to thank you for your participation and to express its admiration for your research. There are 20 answers in all, as follows:

- 1. The LPRP was established on 22 March 1955.
- 2. The LPRP is 30 years old this year.
- 10. Laos has special solidarity with Vietnam and Cambodia.
- 11. In the past Laos was a colony of the French and American imperialists.
- 12. Our nation's enemies are the American imperialists, the Beijing expansionists and hegemonists, the Thai ultrarightist reactionaries, and the Lao reactionary exiles.
- 13. The Thai ultrarightist reactionaries encroached upon the three Lao villages.
- 14. The six loves and three hatreds are:
 The six loves: 1) love of country; 2) love of our leaders; 3) love of our studies; 4) love of our work; 5) love of our solidarity; 6) love of cleanliness. The three hatreds are: 1) hatred for our nation's enemies; 2) hatred of dirt; 3) hatred of laziness.
- 15. The three things to be good at and the four things to know are:
 The three things to be good at: 1) studying; 2) solidarity; 3) sanitation. The four things to know are: 1) to love our country and its leaders; 2) to love our parents and teachers; 3) to love nature and to love working.

LAOS

WRITER ASSAILS WESTERN INFLUENCES ON YOUTH

Vientiane NOUM LAO in Lao 1-15 Feb 85 pp 13, 14

[Article: Vang Veun: "Those Who Are Willing to Become Propaganda Posters"]

[Text] For a long time I have been thinking about enriching NOUM LAO's columns with different new ideas, but up to now those thoughts did not lead anywhere. Maybe it was because I kept putting it off.

I have been receiving NOUM LAO somewhat irregularly. Sometimes I get it early and sometimes late, and sometimes issues are skipped. But I am still lucky because all the NOUM LAO issues that have reached my hands have been vigorous. (I assume the other issues are the same way). They urge [us] to make sacrifices, and they guide us in making the new policies applicable to real life for everyone, especially for youth. I enjoy the various critical articles in NOUM LAO, e.g., "Talking Together," "Revealing Face," "Readers' Views," "Commentary," etc. In the case of the three villages NOUM LAO raised its role of attacker one step further in disclosing the dirty and bloodthirsty faces of the Thai ultrarightist reactionaries who are willing to bow their heads to Beijing and who allow Beijing to lead them around by their noses.

In the "Readers' Views" column of this issue we would like to ask all readers (especially youth) to think about something which, if left unchecked, might become a great danger. The phenomenon I am referring to is that we love to wear shirts and pants with advertising on them. From our observation this new taste came about when our country became a market for distributing the goods of the Western capitalists.

We know that the fate of the capitalist economy depends upon the market and not upon the needs of the consumer. In order to quickly and profitably distribute their goods, the capitalists' companies openly advertise them using the mass media (newspapers, TV, movies) to stimulate the desire for them among the masses.

Particularly with regard to clothing, in the late 1950's and early 1960's the Western capitalists were advertising tight-fitting pants and [pointed-tip shoes]. In the late 1960's and continuing into the early 1970's the capitalists' radio, TV and movies advertised bell-bottom pants, shirts tight to the skin, pants with [open midriff], tight-fitting skirts, shirts open at the

chest, etc. Those who have become victims of the deception are none other than the youth who love to follow them. In the old regime in the large provinces (especially Vientiane) there were men and women models dressed in French, British, American, and Japanese outfits. Sometimes we saw the strange sight of a youth whose head was French with an American body, Japanese legs, and British feet.

The capitalists use people as the most important element in advertising goods, e.g., they make movie and TV stars advertise for them by having them wear whatever merchandise the capitalists want to sell. In addition to the "stars" there are those who are not aware of the consequences and who have been advertising without realizing it, especially the youth. We believe that all our readers can verify this with their own eyes, e.g., those who wear Yamaha, Honda, Kawasaki, and Sony shirts or shirts containing the capitalists' flags. Even worse is when some youth continue to close their ears and eyes and wear shirts containing [suggestive language] such as "Don't ask, do it!," "Lady Killer," "No time, too many men," etc. We believe that most of those who wear these shirts do not understand the meaning of the language, and so they are not aware of these vulgar messages.

We feel weary whenever we see our youth wearing these shirts. Therefore, we would like everyone to help solve the problem not just by talking about it but by specific action, because when we want to eliminate bad things we must create good things to replace them. Criticism must be followed by doing if we do not want to be like an empty gourd.

9884

CSO: 4206/166

LAOS

LPRYU OFFICER ON MILITARY OPERATIONS IN OUDOMSAI

Vientiane NOUM LAO in Lao 14-21 Apr 85 p 6

[Article: "Comrade Chandi Gnang's Views On Military Operations in Oudomsai Province" (He is a member of the LPRYU Executive Committee and secretary of the Oudomsai Province Youth Union)]

[Text] In the evolving process of national defense and socialist construction, generally speaking the Oudomsai Province Youth Union has opened the three solidarities and four offensives operations many times. They made good decisions and succeeded in the plans of the party and government. In particular, over the past 3 years the youth union committee and the youth of ethnic groups in Oudomsai Province were strong bases for solidarity, and together they scored fairly important achievements which resulted from the sweat and sacrifices of the Oudomsai Province Youth Union under the leadership of the provincial party committee and the provincial youth union committee.

The achievements were reported to the second nationwide conference to summarize the three solidarities and four offensives operations. My unit was honored as an outstanding one in a selection of youth union representatives nationwide. The LPRYU CC awarded the government's mobile victory banner and the independence medal first class to the Oudomsai Province Youth Union members. It was given us by Uncle Souphanouvong of the Party Central Committee Politburo who is also State president and council chairman and chairman of the Lao Front for National Construction.

On behalf of the Oudomsai Province Youth Union representative I express my gratitude to the Party Central Youth Union Committee, and in particular to the party committees, the Oudomsai Province Committee, and the provincial party secretary that always trains youth and recognizes their achievement. I am satisfied with the Party Central Committee and the LPR Youth Union Central Committee. I promise to score great achievements in the next 3 years' emulation in the three solidarities and the four offensives in order to gain more government mobile victory banners, and we will also do our best in all of our work.

I would like to indicate several outstanding incidents. Many already know that Oudomsai is the center for the northern provinces; it is strategic militarily, politically, and economically, and also in terms of socioculture.

Thus, our youth union committee has carried out the regulations of the three solidarities and four offensives emulation with the trust of the party and government. This helps Oudomsai Province to grow and expand.

Therefore, in the past 3 years the youth union committee and the youth have scored the following actual achievements:

- 1. National defense and security work
- In September 1982 the guerrilla youth unit of Khouang Canton, Ban Khouang, Na Mo District, captured six Chinese spies at one time without firing a shot.
- In mid-1983 we opened a military operation to wipe out one enemy battalion, at Phou Sathen Mountain, Paktha District, which had been sent from Thailand. The youth are volunteer units who transported rice, materials, and vehicles, and also fought. We did not use any regular army to help. Within 1 month the enemies were dead, injured, or captured. They included one officer of battalion commander level and two of company commander level, and [Lao Kapao] who would become the provincial chairman of that zone returned to his location.
- The military operation to liberate Phou Pha Mon Mountain in central Laos which is extremely difficult to reach. The guerrilla youth unit and the regional military force fought for only 2 days. They were able to liberate Phou Pha which had been settled by Lao exiles 6 years ago. They removed them from 12 locations, killed 113 of them, captured 27, and injured many. resulted from the sweat of the youth who were the assault force, who both transported and fought and have protected Phou Pha Mon Mountain until now without asking for any regular army forces at all.
- Mr Somdi, assistant secretary of the youth union in Ban Kokka, Pak Beng District, had no weapons but was able to capture a lieutenant, an enemy who was equipped with weapons. Another person, Mr Lao Yeu, killed five enemies all at once. Now Oudomsai Province is basically secure.

Concerning economic construction, as you already know in the past 3 years the party and government have assigned serious duties in constructing agricultural co-ops. For example, the youth union worked on contracts for digging irrigation ditches, new roads, etc., as follows:

- they dug six medium size irrigation ditches and one large-size ditch;
- they successfully dug 3 roads 70 km long;
- they dug 7 new fish ponds 80 meters wide and 120 meters long;
- they installed an electric generator and wired 4 km of power lines downtown;
- they constructed running water on contract worth 37 million kip;
- they transported over 16,000 tons of agricultural rice in 3 years. Besides these they succeeded in doing many tens of small tasks.

Organizing. From the provincial level on down to the party committee 100 percent have youth union secretaries. They brought together personnel to carry out youth union tasks sufficiently from the province on down to districts, and also guaranteed their quality.

LAOS

LPA SERGEANT'S MILITARY BACKGROUND, UNIT SUBORDINATION

Vientiane NOUM LAO in Lao 1-15 Feb 85 p 4

[Article by V Chounmani: "This Is a Fence"]

[Excerpt] "Our soldiers are a fence for the nation by protecting the peace and happiness of the Lao people of ethnic groups and by protecting the right and sovereignty of the nation's land. Their life is hardship: sleeping on the dirt and eating steamed rice. But they are honored and recorded in the nation's history." These words were spoken by Sergeant Khamdi, an active and outstanding youth in Regiment A under Division B of the LPA. He is now assistant secretary of youth union unit 4 in Brigade D under Batallion A [as published]. He is the son of a Lao Theung in Ban Vang Tang Don Keo Canton, Houn District, Oudomsai Province. He volunteered for the military forces in 1972 and transferred to the batallion in Vientiane in 1973, before the liberation. He will be 29 this year. He is also a platoon chief in the battalion. In his experience of soldier life which is his specialized task he told us, "Since the day I stepped in to become part of the nation's fence I have been to the battlefield and have fought with the enemies 3 times, in Sam Meun, Feung District, and Nga and Louang Namtha Districts. In all three battlefields we gained victory."

9884

CSO: 4206/166

LAOS

LPRYU PLAN ON DEFENSE, ECONOMY, ORGANIZATION TASKS

Vientiane NOUM LAO in Lao 14-21 Apr 85 pp 1, 5

[Article: "Opening the Emulation in the Three Solidarities and the Four Offensives Operation (1985-1987)"]

[Excerpts] 1. Reference. Based on the plenum and the political duty of the party and government in each period, the plenum and political duty of the Lao People's Revolutionary Youth Union Executive Committee, and the conference summarizing the three solidarities and four offensives emulation in the past 4 years, emulation is seen as an efficient way to mobilize the youth union organization to become the fighting force of the party and government in all work areas, and also as a way to train, improve, and strengthen gradually the youth machinery at each level. Therefore, the LPRYU plans to continue organizing and emulating the three solidarities and the four offensives from 1985 to 1987 by aiming at the following.

II. Purposes of the emulation:

- 1. to continue and promote emulation in the three solidarities and the four offensives so that the youth union members all over the country will upgrade their new characteristics and new roles in successfully implementing Plenum 7 and the 5-year plan of the government, to score achievements for the 10th anniversary of the establishment of the LPDR, the 12th great youth and student festival of 1985, the fourth congress of the LPRP, and the second congress of the LPRYU for 1986-1987;
- 2. to mobilize and train the youth of ethnic groups in patriotism, love for socialism, brilliant proletarian internationalism, the spirit of the nation's ownership, to be self-sufficient and to strengthen themselves, and to always raise their revolutionary consciousness in order to victoriously carry out the two strategic duties of our country's revolution.
- 3. The aim of the [emulation] process is to improve the LPRYU committee so that it will be strong politically and ideologically, and so that its organization will become a fighting force of the party in all work aspects, and for the members to become the party's true persisting source and to increase training for youth and children's organizations at each level so they will become the nation's scions.

- III. The three solidarities and the four offensives. The youth union committees and youth union members of all levels nationwide must be persistent and creative in the following.
- A. The three solidarities must consist of the following elements:
- all levels of youth union committees must treat solidarity as internal unity to strengthen and guarantee purity within the youth union committees and youth union members at their own level. They must also know how to get advice from the party committee and the administrative committee, and work closely in cooperation with other organizations.
- the youth union committees of all levels must be sources of gathering and close solidarity with youth and the people of ethnic groups, especially in their area of responsibility in carrying out what is consistent with the solidarity policy of ethnic groups as indicated by the party. They must dismantle all the enemies' schemes, especially the enemies' psychological warfare.
- increase international solidarity, e.g., our all-round long-term cooperation and special solidarity with Vietnam and Cambodia, all-round friendship and cooperation and solidarity with the USSR, increase the close solidarity with fraternal socialist countries, and friendly solidarity with international youth union organizations for friendship and solidarity in resisting the imperialists.
- B. The four offensives are:
- 1. All youth union committees and members must be more aggressive in national defense and public security service as follows:
- the youth union committees and youth union members of the military forces must be more vigilant in fighting; they must be models in leading the fight and in annihilating the enemies, they must determinedly train themselves in every way and gradually take part in modernizing the army.
- young students and the youth of ethnic groups nationwide must go after their national defense and security work. Each youth union member and each youth must be a combatant, and each youth union unit must become a main fighting unit.
- All levels of youth union committees must guarantee the mobilization of youth to voluntarily carry out their national defense obligation as assigned by the higher echelons.
- 2. The economic front for raising the standard of living of the people of ethnic groups:
- youth and workers who work in factories and other enterprises must strive to exceed the yearly and monthly expected plans set by the factories, and must become leading models in production. They must organize to work on Red Saturday, and to save on raw materials and labor and to be creative. Each

youth must be able to save at least 500 kip in a year on the average for the collective treasury.

- agricultural youth must strive to model intensive agriculture ricefields and guarantee the expected production figures of 2.5 tons per hectare set by the government. Each year the provincial-level youth must be creative in working on contracts for small construction work from the party and government valued at from 50,000 to 500,000 kip, and medium work from 500,000 to 1,000,000 kip. Each agricultural youth saves 500 kip in the collective treasury per year on the average.

Improving construction and expanding the youth union and youth organizations.

- 1. to resolutely improve and strengthen the organizations in terms of political ideology and in organizing and wiping out white cantons [areas where there is no LPRYU presence--FBIS] and cantons throughout by as much as 50 percent.
- 2. to improve and strengthen the machinery of organizations in every way, e.g., there must be 2/3 of the [provincial districts] at the provincial level and 2/3 of the provincial base units in the bases below district level.

9884

CSO: 4206/166

LAOS

LETTER WRITER COMPLAINS ABOUT TEMPLE FAIRS

Vientiane NOUM LAO in Lao 1-15 Feb 85 P 5

["Answering Letters" Column: "Dear NOUM LAO Readers"]

[Excerpts] [Question] Why do the higher echelons and the present administration allow some groups of people to take advantage of organizing temple fairs for their own income, e.g., by the Lao "Lam Vong" dance and selling alcohol and condiments, etc., even though this is not in line with our new and orderly socialist culture? 2 January 1985. Chandeng. Sikottabong, Vientiane.

[Answer] When your letter has no introduction we would like to answer briefly in the same way in order to save paper, ink, and print. Temple fairs cause us worry and headaches because the way things are now we can almost say that the temple fairs now are exactly the way they were under the old regime. The Lao Lam Vong dance and the providing of food and drinks until people become senseless by small and big shops of the opportunists are all against the regulations and fine customs of our nation. In many cases temple fairs become a boxing stage for individuals or groups and there can be serious head injuries.

The higher echelons and the administrative committees have absolutely not closed their eyes and ears to this problem. However, the problem must be solved gradually. We must modify the old culture and construct a new one to replace it at the same time. It is impossible to use "suppression" techniques primarily. The new fine culture which is now taking over the old one will definitely push the stinking remnants of the [old culture] into the abyss.

9884

CSO: 4206/166

MALAYSIA

RMAF DESCRIBED AS AIMING FOR AIRPOWER

Kuala Lumpur ASIAN DEFENCE REPORT in English Jun 85 pp 4-19

[Article by Shuhud Saaid: "The Royal Malaysian Air Force: Aiming for Airpower"]

[Text] Ever since he officially assumed command of the air force on October 1, 1984, the new chief, Lt. Gen.
(Air) Datuk Mohamad Ngah Said, has been keen to 'get on with it.' Since we last wrote on the subject (see: 'The Making of an Air Force,' ADJ, June 1983) there have been a number of significant changes in the RMAF. Besides acquiring a new chief—whose work style, thinking style and leadership style are, in contrast to his predecessor's, markedly different—the 'new look' air force has undergone a profound organisational change. Our Editor, who joined the Royal Military College in the same year as the air force chief (1953) and three years ahead of the deputy chief, discusses the implications of all these.

f the three traditional services, the modern air force is the most skill-dependent and technology-oriented. Its ultimate flying machine, the fighter aircraft, is an extremely complex beast; and for every pilot or 'warrior' that takes to the air, scores of technicians and other non-combatants are employed to make sure that that 'complex best' does what is expected of it

of it.

The USAF may be cited as an extreme case — or an ideal one depending on how one looks at it — of how dependent a modern air force is on technicians and skilled operators. Of its 490,000 enlisted personnel, one in three (roughly 165,000 men and women) is involved in the never-ending activity of maintaining an aircraft! An F-16 wing with 72 aircraft requires 206 people just to provide 'hands-on maintenance' for the firecontrol systems and engines. And this despite the fact that according to the USAF's own statistics today's F-16, unlike the earlier copies produced ten years ago, requires only one-half of the F-4 Phantom's maintenance man-hours per flying hour.

Besides being an extremely high-technology fighting force, the air force's operational environment is one where victory or defeat is measured in hours, if not minutes, and where compu-

terised warfare and electronic combat are the natural order of things. And unlike the army, which is tied down to the ground and whose tactics and strategy are dictated by natural barriers like hills, jungles, rivers, ravines, etc, or the navy, which must have a sea before it can justify its existence, much less go to war, the air force is, quite literally, above all these. To paraphrase Mohammad Ali's immortal words, today's 'warriors in the sky' can more than 'float like a butterfly', and their sting is infinitely more lethal than a bee's.

hen the RMAF was formed back in 1958 — barely a year after Malaysia (then the Federation of Malaya) gained its independence on August 31, 1957 - it operated just one station (Kuala Lumpur) and one type of aircraft (the Single and Twin Pioneers). It consisted of a three-pronged structure: Operations, Engineering, and Administration. As it began to expand in the early 1960s, a fourth prong — Supply and Finance — was added. Its operational environment then was, and to some extent still is, limited to the provision of tactical air support to the security forces (Army and Police) whose requirements were dictated by the exigencies of counter-insurgency operations.

At the height of the Malayan Emergency and up to the time of the British military pullout from areas east of Suez (1970-71) the RMAF continued to be dominated by British officers seconded from the RAF, and the 'Brits' saw no reason then to expand the role of the air force beyond that of a mere appendage of the ground forces, particularly the army. Now, almost fifteen years later, the RMAF continues to be regarded in certain quarters as an enlarged tactical air arm of the armed forces, despite the fact that in the intervening years there has been a quantum leap in its force level and mission capabilities — first under Air Vice-Marshall Datuk Sulaiman Sujak, then under Lt. Gen. (Air) Datuk Mohamed Taib and now under Lt. Gen.

(Air) Datuk Mohamad Ngah Said.

The facts speak for themselves. The RMAF has today expanded almost beyond recognition, and not just on one 'front'. In terms of inventory growth, for example, it has increased its aircraft numbers from twelve Single and Twin Pioneers back in 1958 to the current 254, encompassing basic trainers, advanced jet trainers which double as close air support aircraft, transport aircraft (both fixed wing and helicopters), VIP transports, reconnaissance aircraft and combat aircraft. The much-loved Twin Pioneers and basic trainers like the Percival Provost and De Havilland Chipmunks have given way to the Bulldogs and the Canadair CL-41G, renamed Tebuan by the RMAF. These in turn have been replaced by the Pilatus PC-7 basic trainers (forty four of them) and the Aermacchi MB 339 jet trainerscum CAS aircraft. The De Havilland Caribou transport aircraft have been more than ably replaced by the Lockheed C-130Hs, although a few Caribous may be converted into gunships and those still airworthy may be re-engined.

As regards combat aircraft the F-86 Avon Sabres, a gift from the Australian government - who must have taken pity on Malaysia's fledgling air force seeing that the British, when they pulled out, took away everything that moved and could be removed, and would have scooped out the run aways and dismantled the hangars and workshops too if that was physically possible! — have long gone. In their stead the RMAF now has a squadron of F-5Es and within the year two squadrons (40 aircraft) of A-4 Skyhawks. On the rotary wing side, the Alouette IIIs (purchased in 1964) and the Sikorsky S-61A Nuris (bought in 1968) still constitute the mainstays of the RMAF's tactical helicopter transport support and SAR capabilities.

From just the one unit with which it started life, the RMAF now has thirty-seven units; and the number of squadrons has increased from one to thirteen, with the possible addition of another three squadrons in the Fifth Malaysia Plan (1985-1990). Its command and control structure, too, has expanded appreciably: from a solitary Air Staff to Tactical Headquarters to three Air Commands (Air Operations, Air Support and Air Defence Commands) and two regional headquarters (Region I for West Malaysia and Region II for Sabah and Sarawak). Its personnel end-strength, likewise, has increased from an initial

TYPE	DETAILS
Ground Attack,	40 A-4L FGA, 6 TA-4 trg (42 more for spares)
Air Defence	13 F-5E, 4 F-5F, 2 RF-5E
Counter-insurgency	1 sqn. — 12 MB-339 (also doubles as trg sqn).
Maritime Recce	3 PC — 130H
Transport/Liaison	6 C-130H — 1 sqn 14 DHC-4A — 2 sqn 2 HS-125 2 F-28 — 1 sqn 12 Cessna 402 B
Tpt. Hel.	36 S-61A-4 — 2 sqn 24 SA-316B Alouette III 2 liaison sqn.
Training	44 PC-7 ac; 7 Bell 47, 7 Alouette hel. 4 S-61A
AAM	Sidewinder
Reserves	10 CL-41G Tebuans, 11 Bulldog 10

500 to 4,500 in the early Seventies to around 13,000 today. And its operational environment, despite its still being perceived as the ground forces' "army in the sky" has changed from a purely transport support role through close air support to air defence and offensive strike. And with the MADGE programme currently under way it has enhanced its ground-based air defence capabilities when hitherto it was literally blind.

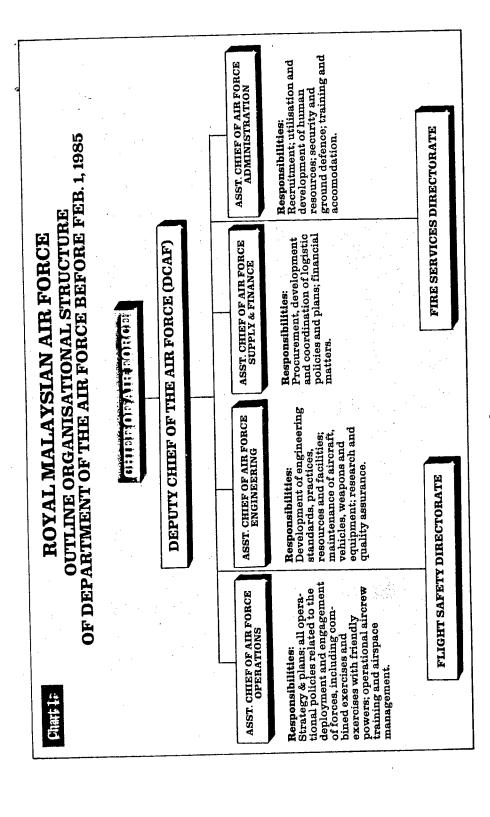
n line with its rapid expansion and the fact that sooner, rather than later, the last remaining air defence umbrella provided by one squadron of RAAF Mirage IIIs under the toothless Five-Power Defence Pact will become a thing of the past, the need for Malaysia to have a credible ground-to-air defence capability and an equally credible fighter force becomes all the more apparent. And in a threat environment where reaction time is measured in terms of hours if not minutes, the initial task of repelling an aggressor will, like it or not, fall on the air force.

Whether the RMAF is equal to this task depends very much on the two factors which the present chief, Lt. Gen. Datuk Mohamad Ngah Said, is very conscious of and most concerned with: combat responsiveness and air power. And whether it will have the kind of air power it wants and which it considers indispensable for the defence of the country will, in turn, depend on whether it is allowed to play the role of leading actor or continue to be assigned the supporting cast role ('as per the usual') due to doctrinal and financial constraints.

EPARTMENT OF THE AIR FORCE: Prior to the recent changes which were brought into force on February 1, 1985, the Department of the Air Force (DOAF) — the management agency responsible for formulating air force policies and plans — was divided into four 'branches' according to specialisation. This was an organisational feature of the RMAF which was duplicated in all subordinate structures. These branches divisions were headed by Assistant Chiefs of the Air Force (ACAFs) who reported to the RMAF chief through the Deputy Chief. The four Divisions, each headed by a Brigadier General, (see chart 1) were:

- 1. Operations
- 2. Engineering
- 3. Supply & Finance
- 4. Administration

Through an internal arrangement, the Directorate of Air Plans, which was responsible for strategy and the coordination of development plans, was subsequently placed under the Deputy Chief. Two other directorates — Flight Safety and Fire Services — also reported directly to the Chief through the Deputy Chief. The Directorate of Fire Services handled all related organisational and inspectorate functions for the Malaysian Armed Forces (Army, Navy and Air Force) while the Flight Safety Directorate is a functional directorate responsible for the formulation and maintenance of flight safety standards.



COMMANDS: The RMAF's second management level are the commands, which are mainly responsible for implementing policy directives, of assisting subordinate formations in the performance of their missions and of maintaining control over the activities of their units. The three commands in the RMAF referred to earlier act on the direction of the DOAF and are delegated the power to manage, control and employ all resources within the policy guidelines laid out by the Department. In the case of Air Operations Command, two regional head-quarters — each commanded by a Brigadier-General — were raised to direct and exercise routine command of forces in the field:

- a. Headquarters, Region I is located in Kuala Lumpur and covers all operational areas and units in the peninsula.
- b. Headquarters, Region II is located in Kuching to cover all operational areas and units in Sabah/Sarawak.

Each of these HQs is equipped with an AOC responsible for tasking and assigning aircraft. The outline command structure of the RMAF as it is presently constituted is shown on Chart 2.

In brief, Air Defence Command is responsible for defence of the ground environment against air attack. The MADGE detection and warning system designed and installed by Hughes is reputedly one of the most sophisticated in the region.

Air Operations Command is responsible for tasking and assigning aircraft for tactical transport, training exercises, maritime reconnaissance and, should the need arise, for offensive operations.

Air Support Command, which was formed up in 1980, is responsible for logistics and training. Formerly it was also responsible for all major ('third and fourth line') maintenance operations. With the 'privatisation' of its Aircraft Repair and Overhaul Depot (Airod) in January (see: ADJ, March 1985) all such activities are now contracted out to Airod Sdn. Bhd. The Supply Depot, the Ammunition Depot and the Engineering Support Unit (now mainly an administrative body) all come under the Logistics Group of Air Support Command.

WHY THE CHANGE?

he main purpose of the reorganisation, to quote the Chief, was 'to enhance the mobility and combat effectiveness of the RMAF'; and mobility and combat effectiveness can only be enhanced if the whole set-up was so reorganised that it would be 'responsive, cohesive and adaptive', one that is 'integrated by function and balanced in specialisation'.

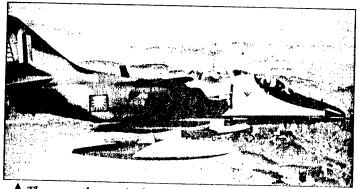
To appreciate fully the rationale behind this far-reaching reorganisation exercise, it is necessary first of all to look at the alleged shortcomings and weaknesses of the traditional fourprong system — a management structure which the previous chiefs were disinclined to tamper with after the RMAF was 'Malaysianised' in the early 1970s.

The separation of the Department of Air Force (DOAF) into four mutually exclusive branches/divisions - Administration, Supply and Finance, Operations and Engineering - was premised on specialisation rather than function. As the Air Force expanded so did each of the four branches, with the result that over the years there were four separate sub-systems or, more accurately, mini bureaucracies operating within the DOAF, each with its own coterie of specialists, each observing its own largely unwritten ground rules, and each with its own 'sub-chief' whose writ extended beyond the DOAF to the various commands and subordinate commands. Because the heads of divisions had the last say on such 'life or death' matters as promotion and career enhancement prospects, their subordinates tended to be more loyal — and in extreme cases more subservient — to their 'own' sub-chief than to their base or unit commanders. This, of course gave rise to command and control problems at the various bases, installations and units.

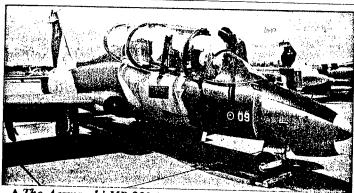
Because each branch/division was tightly compartmentalised, with the personnel therein answering only to their sub-chief, the common maladies associated with institutionalised bureaucracies and 'bureaucratic mini empires' impacted on the system as a whole. The decision-making process straddled the four branches—and it couldn't be otherwise as problems and issues that had to be resolved became more complex. Numerous committees, subcommittees and ad hoc teams, composed of representatives from all the four branches, were formed to deal with matters which demanded multi-dimensional solutions and which depended on inputs from specialists from each branch.

Needless to say, the common practice of decision-making by committees had a negative effect on response time and accountability; and bureaucratic blockages and bottlenecks threatened to make nonsense of much-vaunted objectives such as 'a total air force', 'a high performance air force', 'goal congruency', 'combat responsiveness', 'force readiness', 'reliability and maintainability', and so on.

he way the present chief sees and reads the situation, the old four-prong management system was threatening to reduce things to a slow grind. The duplication of effort in some areas; the multiplicity of committees and subcommittees; bureaucratic delays and snarl-ups inherent in an organisation compartmentalised according to branch specialisation; lack of integration in both direction and team composition; lack of responsiveness to the task at hand — all these, and much else besides, added up to only one thing as far as the new chief was concerned: that if the rot was not arrested in time there wouldn't be much of an air force by the end of the decade. A peace-time air force yes, but not an air force that can rightly claim that it is ready to meet all contingencies, including the contingency of conventional war.



▲ The recently-acquired A-4 Skyhawk will greatly enhance the RMAF's ground-attack capability. The RMAF will have four squadrons of Skyhawks.



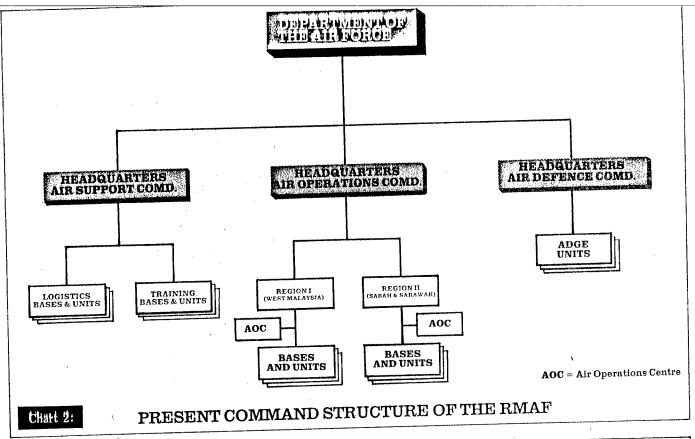
▲ The Aermacchi MB-339 jet trainer is also used for close air support missions.

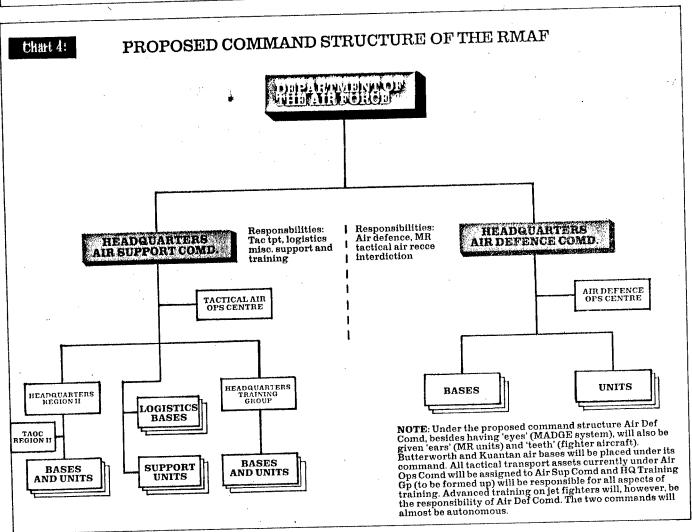
And it is not just organisational and administrative defects that the chief is concerned with. More profound than these are the basic questions of concepts, policy, doctrine, strategy, tactics and the other ingredients that make up an air force 'philosophy' and which, in the final analysis, determine whether it is indeed ready and capable of meeting 'all contingencies'.

According to the Chief, the RMAF badly needs a cohesive 'war doctrine', and it did not have a comprehensive master plan which would enable it to wage and win a conventional war. Neither did it have a flexible strategy for development; one that takes into account the rapid advances in high technology military systems such as air defence systems, navigational systems, early warning systems, airborne warning and control systems (AWACS), command, control, communication and intelligence systems (C³I), weapon systems, etc.

Moreover, says the Chief, although the RMAF has expanded appreciably over the years, it still suffered from 'cockpit vision'— a case of an air force which, although it has outgrown its original role and exceeded its initial mission capabilities, was still 'thinking small'. The RMAF, since its, inception over twenty-five years ago, has been 'plodding on', content with playing a secondary role—that of a support service or 'servicing arm' of the ground forces—when it should be playing the role of an air force in the real sense of the term: one that is not tied to the army's 'apron strings', as it were, and one that is truly combat-oriented. And to exacerbate matters, the RMAF in the past was too crisis-oriented and suffered from a lack of vision and planning.

To be sure, the reorganisation of the management system is only the first step — but a vital one, nevertheless — towards the creation of the *total* air force, one that will measure up to the challenges of the 1990s.





n line with the design objective of creating a really durable management agency that is 'responsive, cohesive and adaptive . . . one that is integrated by function and balanced in specialisation', the DOAF is now reorganised along functional lines. The emphasis now is not on form or procedure but on action and results; and problem-solving is delegated not to unwieldly inter-branch committees but to self-contained functional groups each of which consists of 'in-house' specialists 'integrated by function and balanced by specialisation'. Where previously a supply officer would automatically be posted to the Supply And Finance Branch and likewise an engineering officer to the Engineering Branch of the DOAF, under the new set-up this is not always so. It all depends on what his particular specialisation is and what the task of a particular functional group is. If he is the man that this group is looking for then that's where he'll end up, regardless of whether it's under the direction of the DCOS Plans or DCOS Management Systems or whatever. The self-imposed and artificially-created barriers arising from compartmentalisation-by-specialisation have been dismantled and, given time, the old 'closed shop' mentality that has been the root cause of numerous command, control and coordination problems will simply wither away.

Under the new set-up (see chart 3) the Chief of Air Force is assisted by a Deputy Chief (or, more accurately, a Vice Chief) of Air Force.* At present the VCAF is also the Chief of Staff. This, it is understood, is only a temporary arrangement pending the appointment of a Chief of Staff proper. The VCAF is assisted by three Deputy Chiefs of Staff (DCOS), namely DCOS Policy and Plans, DCOS Management Systems and DCOS Material. They in turn are assisted by their Assistant Chiefs of Staff (ACOS), i.e. ACOS Plans, ACOS System, ACOS Manpower and ACOS Material who are all full colonels with the exception of ACOS Plans, who is at the moment a lieutenant-colonel. The subordinate functional groups are also shown on the chart.

In view of the tremendous work load and job responsibility of the DCOS Management Systems there is a possibility that at some future date Personnel, Training and Services will be placed under the direction of a DCOS Manpower, who will be assisted by an ACOS Personnel and Training.

The Inspector General, who reports to the Chief is, in business parlance, responsible for quality assurance. His principal function is to ensure that safety standards, examination standards, etc. are rigidly maintained. Base inspection by the various commands are monitored and sponsored by his department. The Inspectorate General also oversees and conducts trade examinations, promotion examinations, pilot's and istructors examinations etc. The Examining Unit for Aircrew currently under Air Operations Command will be transfered to the Inspector General's Department, as will the Examination Department and the Institute of Aviation Medicine — both of which are currently under Air Support Command (Mabanud).

THE RMAF'S BASELINE CAPABILITIES

s a result of its rethinking process — of looking long and hard at itself — certain conclusions were drawn. The RMAF had the skills, the manpower, the training and the resources — but these were not being utilised effectively. Many

^{*} The present 'number two' dislikes the term Vice-Chief and prefers to use the designation Deputy Chief of Air Force.

of its personnel were overtrained and underutilised. There was a dichotomy between mission capabilities and force level.

At present, the RMAF's main capability is in tactical transportation. Its capabilities with regard to air superiority and C3I, for example, are limited. The same can be said for its maritime reconnaissance capabilities. The two RF-5Es, however, do give the RMAF some measure of tactical reconnaissance capability overland. It is exceedingly deficient in the field of air defence as it has no high - or low-level air defence missile systems to speak of, and no ultra low level air defence radars. The MADGE programme currently underway is an attempt by the RMAF to close huge gaps in the passive air defence system.

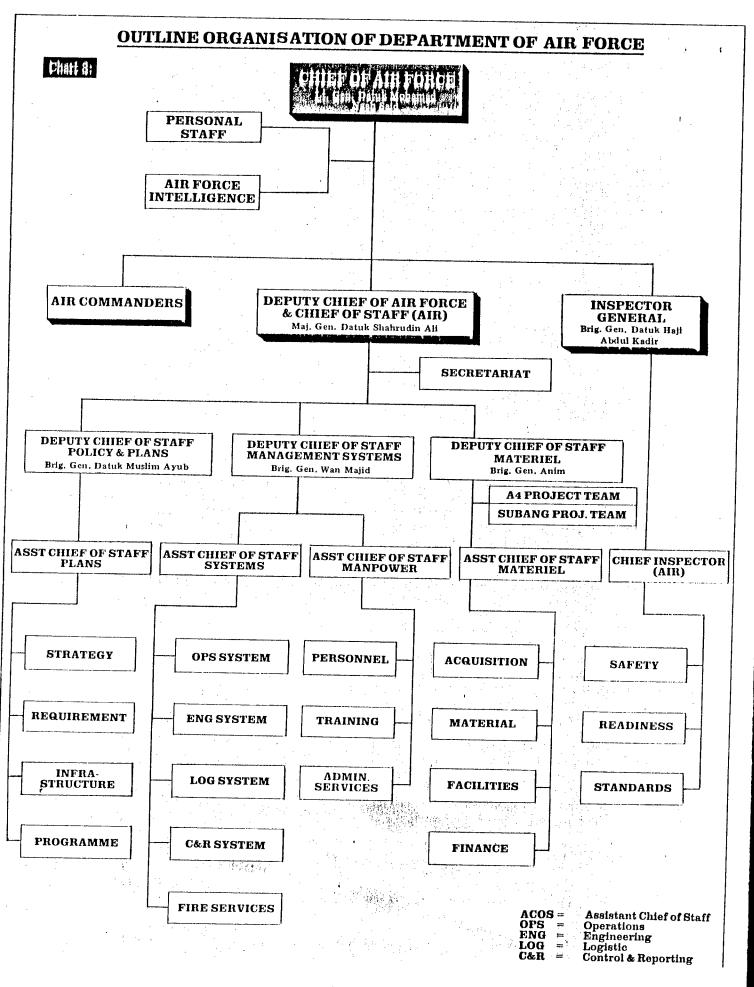
THE A-4 PROJECT

The acqusition of the Mc Donnell A-4 Skyhawks represents the first step in the upgrade of the RMAF's conventional warfare capability. These aircraft will provide the air force with increased firepower and enable it to provide air support and air cover not just to the ground forces (the Army and The Police Field Force) but also to the Royal Malaysian Navy (RMN), whose principal mission is to defend Malaysia's Exclusive Economic Zone (EEZ) and to protect the sea lane between West Malaysia and Sabah/Sarawak.

The Chief acknowledges that the A-4 - even if it is fitted out with state-of-the art avionics, communication systems, sensors, weapon systems, etc - is an incomplete system unless it operates in tandem with other systems. To optimise the potential capability of the A-4, the need for some sort of airborne early warning system like the E-2C Hawkeye or the much more expensive E-3A Sentry AWACS aircraft, with its overland and overwater surveillance capability, is obvious; but acquisition of these airborne warning and control systems must await the availability of funds. In the meantime, the RMAF is looking at the possibility of configuring a C-130H into an AEW platform to enhance its ground-based air defence radars.

n a force buildup programme commencing with the Fifth Malaysia Plan (1985-1990) and encompassing the Sixth and perhaps Seventh Malaysia Plans as well, the RMAF plans to augment its force structure in three key areas:

- Airpower
- Air Support
- Command, Control, Communication and Intelligence (C³I)
- ► AIRPOWER: No matter how effectively the DOAF is reorganised and no matter how smoothly the air force bureaucracy works, the fact still remains that at the end of the day what matters is not the quality of its paperwork but the lethality of its 'firework' - meaning that for it to be a credible deterrent force the ultimate indicator is not how well the Department of



Air Force is run in peacetime conditions, but how well the RMAF as a fighting entity or a total force performs in combat or in simulated combat.

And it can only be a 'fighting entity' or a 'total force' if, for a start, it has sufficient 'teeth' or sufficient 'bite'. And the cutting edge of its teeth — given which it can really bite — is airpower, for it is airpower that gives meaning and substance to the word 'force' in air force. Without air-superiority fighters, dedicated close support attack aircraft, anti-aircraft missile systems, air defence suppression systems and all the other elements of airpower, an air force becomes in effect a no-force 'air force'. It might as well revert to being an aviation branch or a tactical air arm of the ground forces.

How can it be otherwise? After all, the principal responsibility of any air force chief worthy of his office is to ensure that in the event of armed conflict 'his' air force has effective control of the air, or at least deny the enemy air superiority. Only when it has clinched air superiority can an air force perform all other combat missions such as close air support, tactical airlift, and interdiction. And air superiority, which is so vital a component of airpower as to be almost a sine qua non, rests not just on training and tactics but also (one is justified in saying moreso, in this age of push-button air-to-air combat and stand-off weapons) on equipment; not just any equipment but equipment that incorporate the latest developments in war technologies. Particularly is this so in the case of the air force, which is expected to be the first to respond to a threat and probably also the first to fire its rockets and missiles in anger.

Thus, while the RMAF can be said to be a highly-trained fighting force (overtrained in the opinion of quite a few) and while it is constantly upgrading its tactical proficiency through regular joint exercises with friendly air forces, its equipment inventory in the airpower department (or what passes as 'airpower') is being reduced to near-obsolescence through declining age and by the breathtaking advances in 'war-in-the air' technology.

In less than a decade from now, the advanced tactical fighter (ATF) — protected by 'stealth' technology and fitted out with such wonders as a microprocessor digital fly-by-wire flight control system, a jam-resistant voice and data communication system, an integrated electronic warfare system (INEWS), an electronic self-protection system, highspeed anti-radiation missiles (HARM) and 'launch-and-leave' multi-engagement advanced medium-range air-to-air missiles (AMRAAM) — will be making its appearance. By then the RMAF will, hopefully, take delivery of its replacements for the F-5Es, which by then will be two generations behind the US ATF and its European and Soviet equivalents. Finances permitting, whatever aircraft is chosen to replace the F-5E (the Russian equivalent of which is the MiG-21) will in all probability be a generation behind the ATF, and two generations behind the ATF's follow-on.

It would appear from all this that airpower in its absolute sense is quite beyond the reach of Third World air forces, as the Super Powers and their closest allies will see to it that that kind of airpower is reserved for countries like the USA, the

USSR, France, Britain, Israel selected NATO countries like Germany and Italy and maybe, just maybe, Japan.

So the airpower one is talking about here is airpower relative to that which similar air forces in the region possess, be they friend or foe. And if one assumes that in the time frame that the RMAF is talking about the threat is from the north and not from anywhere else, then in addition to air superiority fighters—after all, the Vietnamese are said to have MiG-23s at their disposal even now—such 'musts' as a high-level SAM system, medium and low-level anti-aircraft missile systems, ultra low-level air defence radars and their associated sub-systems are priority items on the RMAF's procurement list.

► AIR SUPPORT: The DCOS Policy and Plans, Brig. Gen. Datuk Muslim, when he was head of Air Support Command, described the function of the command thus:

'Our main business is to support operations by ensuring that they have adequate logistics by way of maintenance requirements of the aircraft and the supporting spares, etc. . . . we also provide all the training in the air force from basic recruit training right up to advanced training and any other specialised training.' (S. Thana, 'The Air Support Command of the RMAF', ADJ June 1983)

With regard to the former, the coming years should see an improvement in the RMAF's logistics system through the computerisation of its vast inventory of spareparts and support equipment. The DOAF will identify weaknesses in the system and set resource goals that relate directly to reliability and maintainability (R & M), mobility, manpower and life-cycle cost requirements. More and more, R & M will be tied to operational requirements. The DOAF will also establish focus and accountability for R & M.

'Optimisation' is now the catchword in the RMAF. And the object of optimisation is to achieve greater systems reliability—the kind of reliability that translates into lower requirement for spare parts, transportation assets, repair facilities, and storage location. And greater reliability of spares and equipment can only mean higher MTBF rates, improved performance capbility of fire-control and EW systems, higher mission-capable rates etc; all of which will have a positive impact on readiness and system effectiveness—in short, on the RMAF's ability to fight.

▶ C31: The RMAF is only too aware of the need for it to have a 'state-of-the-art' C3I capability, for without such a capability it is futile to even *think* about airpower, air superiority, combat responsiveness etc — so crucial and so decisive is C3I as a winning factor in any future conflict. The MADGE ground-based radar system is but one aspect of C3I.

It is reliably learned that the RMAF has a truly comprehensive 'COMPLAN' which takes into account every probable threat to the nation's security. The plan was prepared by experts from the three services and includes everything from components to total electronic defence systems: Electronic and IR counter-measures; radar warning and jamming systems; secure microwave links; instrumentation and information systems for C3;

computer-controlled airborne ELINT and SIGINT systems, etc. etc. But because of the probibitive cost of the total concept—an estimated 2 billion Malaysian ringgit at today's prices—it will remain just a plan..

Until such time as the RMAF, in concert with the army and navy, has a truly effective C3I capability, cynics have good reason to scoff at its ability to achieve airpower. If it's any consolation, the C3I system already in existence at the Air Defence Centre does provide the armed forces with *some* measure of C3I capability, but not to the extent that they would like, and certainly not good enough to cope with the extremely dense and hostile electronic environment of modern warfare.

THE "WARRIOR AIR FORCE"?

n line with the "warrior air force" concept greater emphasis will be placed on training. To quote the Chief: "We must train like we fight. We must get the maximum out of our flying machines. We must harness the skill of the personnel in such a way as to get the maximum capability out of our resources and all within the financial constraints currently in force."

Having said all this it is worth repeating what one writer had to say on the subject of 'the warrior spirit':

'Warrior spirit is important, of course, but derring-do is not a substitute for solid knowledge and realistic training. The modern fighter pilot wants a full bag of effective tactics to employ — and also a good understanding of the enemy and his tactics. He wants experience in combat - style airmanship, not training hours spent flying around the flagpole'. (Capt. Napoleon B. Byars, USAF, "Fighterology", Air Force Magazine, April 1985 pps. 75-78. Emphasis added.)

There is a general misconception going around that a 'warrior air force' means precisely that: an airborne force of gung-ho 'warriors' who are expected to shoot first and ask questions later. Taken to its worst extreme it results in pilots — the RMAF's 'front-line warriors' — misreading and misapplying the 'warrior' concept to such an extent that they become overconfident, cocky and reckless to boot. Showmanship and 'one-upmanship' take the place of airmanship, and 'flagpole flying' takes the place of combat-style training.

There is a need for the RMAF to re-emphasise the fact that what the 'warrior spirit' really means is that a 'warrior pilot' is an officer first and a pilot second; not a gung-ho pilot first and everything else second. And as an officer he is expected to have such qualities as the ability to lead and command, to inspire respect and confidence, to exercise sound judgement, to keep his 'cool' when the heat is on and to apply his cumulative skill, knowledge and experience to one purpose and one purpose only: to defeat his adversary and come back alive. Unless the true warrior concept is understood a lot of 'flagpole warriors', to quote a former highranking RMAF officer, "are going to have their arses shot off".

To sum up: the RMAF, though highly resourceful and innovative, lacks combat experience and airpower. It is overtrained and underequipped and may find difficulty attracting skilled people. It may be well-led, but unlike the Malaysian Army it needs more time to develop its own tradition and its own value system.

MALAYSIA

DEFENSE SPOKESMAN REVIEWS COMMUNIST GROUPS

 ${\tt BK091431}$ Kuala Lumpur NEW SUNDAY TIMES in English 8 Sep 85 p 6

[Text] Kuala Lumpur, Sep 8--The Communist Party of Malaysia (CPMal) is experiencing an internal power crisis over its leadership and command structure, a Defence Ministry spokesman said today.

The spokesman said the CPMal, which was rumoured to have been formed more than a year ago, had its existence confirmed by military intelligence recently.

However, the spokesman said CPMal had yet to show its strength due to the present internal crisis.

"This does not mean that the Defence Ministry is taking matters lightly.

"Though there has been no significant increase in terrorist activity, we are still maintaining a watch over them," he said.

The spokesman added that several regular infantry battalions have been deployed along the border.

The Army Reserve Force Battalions are deployed along the East-West highway forming the second line of defence in case of a major enemy infiltration at that particular stretch of the border.

The spokesman added that there had been one or two sightings and reports of CT [Communist Terrorists] movements into the country in North Perak.

"There were also reports on a number of infiltration attempts by terrorists (of unknown factions) into the country. It could be that they are testing our defences and alertness."

As part of the steps taken to counter the threat, the spokesman added that the Malaysian Government was in the process of building a 42 million ringgit wall along the Malaysian-Thailand border near Bukit Berapit in Perak.

Covering a distance of $25~\rm km$ and about $0.3~\rm meter$ thick, it stretches from Bukit Kobeh to the north of the Bukit Berapit Immigration checkpoint to Betong, Thailand.

The spokesman said the main function of the wall, besides preventing infiltration of terrorists, was to clamp down on smuggling activities.

The formation of the CPMal came into being when the CPM-ML [Communist Party of Malaya-Marxist Leninist] and CPM-RF [Communist Party of Malaya-Revolutionary Faction] merged to rival the Beijing-oriented Communist Party of Malaya (CPM).

All three of the factions have their areas of operation in South Thailand with the CPM proper operating in Betong, CPM-RF in east Sadao and Yala and the CPM-ML in Sadao and west of Betong.

However, the three factions became militarily weak due to an obvious lack of united command and a series of military operations jointly conducted by the Malaysian and Thailand security forces.

CSO: 4200/1555

PHILIPPINES

GENERAL REAFFIRMS DIALOGUE WITH NPA

Davao City PEOPLE'S DAILY FORUM in English 17 Jul 85 pp 1-2

[Text] Brig Gen Jaime Echeverria, Regional Unified Command chief, declared yesterday that the Armed Forces of the Philippines has always been engaging the enemies into a peaceful dialogue.

Echeverria made this clarification in the wake of talks that he is against holding dialogues with dissidents of the New People's Army.

"We have been (doing this dialogues) with the rebels even when we have been losing a lot of men. And we are willing to lose more men just to hold more dialogues with the rebels," the RUC general said.

The RUC general declared:

"The use of dialogues in the pursuit of peace, progress and development in insurgency situation is not a new approach—and it is not an obsolete method either. As a matter of fact, we employed it widely during the MNLF issue and we are employing it very much in our present campaign against communist insurgency specially in Region XI. For this matter, our military establishment in the region does a lot of going out to dialogue with everyone and all the people—with the politicians, churchmen, educators, professionals, laborers, farmers, fishermen, mediamen, the insurgents themselves, etc—in all level everyday. Thanks to the National Civic Action Program (NCAP) that has been started this year by His Excellency, the President, which adds more avenues for our soldiers to be nearer the people as envisioned in the OPERATION PLAN KATATAGAN of the Armed Forces of the Philippines.

"As our military commanders in all level do their task, so do with the ranks and files. On my part, you will recall the most recent ones. To name some, our being together with Go. Rabat in Mati, Davao Oriental in the dialogue with the people on 19 June. This was preceded on the day before by my dialogue with the regional, provincial and municipal officials in the Capitol Building and later on with the San Isidro officials and people and followed by the administrations of the oath of allegiance to some 120 NPA surrenderees in that municipality. I was also in Sarangani in a party of about 120 from the Davao Sur provincial and municipal offices headed by no less than Governor Ocampo himself on 25 June where we conducted a military medical and dental civic

order Council and Provincial Development Council meeting invited by Governor Murillo and the Tandag Eagles Club. In Tandag, I administrated the official surrender of another 90 NPAs who took their oath of allegiance back to the folds of the law on 28 June. And on 29 June I was in South Cotabato to stand as one of the sponsors in the wedding of an NPA couple who were recently captured by our troops. We also inspected our NCAP Projects in that province, met with the federation of fishermen, cattle raisers association, and civic organizations. I also administered the oath of allegiance of 135 NPA family surrenderees in Barangay Spring of Alabel in the presence of other regional, provincial, municipal and barangay officials. On 30 June, Mayor Lopez and I were in the company of city and barangay official and military officers and men and a big audience in the inauguration of the Barangay Hall in Mandug.

"You will notice that we do a lot of holding dialogues with all sectors, to include the enemy, in all sincerity in the pursuit of peace. We had faced much risks in the process and are ready to meet and cope up with more. Many of our officers and men had in fact perished in our continuing search for the proverbial 'elusive peace.' Holding dialogues is a part of our left hand effort.

"Moreover, although it is just a part of our left hand effort, we always do it from a 'position of strength.' As much as possible, we avoid elevating the status of the enemy to the level of our difficulty in correcting later. Hence, I suggest that we do not call it a 'summit conference' because it is not really to begin with. A 'peace dialogue' is more like it. Beside, meeting with the rebels requires a more discreet approach initially rather than invite them immediately in a widely publicized conference where all sectors are expected to be represented in a free for all exchange of ideas. Who will guarantee that the enemy not use the forum to embarrass the establishment or anyone else?"

cso: 1100/000

PHILIPPINES

YOUNG NPA COUPLE DESCRIBES MANILA URBAN STRIKE FORCE

Quezon City ANG PAHAYAGANG MALAYA in English 12 Aug 85 pp 1, 6

[Article by Joel Paredes]

[Text]

MANILA — The clean-cut, 28-year-old man with a brief-case and his woman companion in neat blouse and jeans would have passed for young urban professionals in this capital, out for an innocent seaside stroll.

But once they entered a cramped apartment in a southern Manila suburb, they shed their conventional image and pulled out the 45 calibre pistols they keep as highly-trained urban guerillas of the New People's Army (NPA).

The NPA, military wing of the banned Communist Party of the Philippines (CPP), has begun to launch guerilla operations in Metro Manila in a spectacular drive against President Marcos' government.

The NPA is hoping for a "strategic stalemate," as a prelude to a "strategic offensive" stage which would then enable it to seize power.

The young couple belong to the Armed City Partisans (ACP), the NPA's urban strike force operating alongside a 16-year-old Hapist campaign to encircle the cities by soizing the countryside.

The man told Agence France-Presse that urban warfare, so far limited to seizing firearms from lawmen, would serve the purpose of "advancing the revolutionary mass movement in the regime's seat of power."

Authorities say this NPA effort, despite the ominous killings of a few Manila policemen, is well under control and bound to fail. The NPA vows rapid escalation.

Acting Armed Forces Chief Lt. Gen. Fidel Ramos and Manila Police commander Brig. Gen. Narciso Cabrera have confirmed that ACP operation have begun. Gen. Ramos insisted there was "no cause for alarm."

The ACP says it is sure of victory.
"The takcover of Manila by the revolutionary forces is imminent," proclaimed the chain-smoking revolutionary, who said he was a veteran guerilla leader whose exploits began in the Mindanao in the mid-1970s.

From a rag-tag band of a few hundred guerillas in 1969, the NPA has become a formidable force estimated to have 12,000-15,000 regulars operating in more than 62 of the country's 73 provinces. The ACP was formed in the early 1980s.

The Communist-led National Democratic Front (NDF), which unites radical groups opposed to the Marcos regime and "US imperialism," has predicted a stalemate with security forces in three years.

US officials have warned that this may come true unless Marcos, in power since 1965, launches major political, economic and military reforms.

"We have made progressive gains in the countryside and created a great potential and capability to carry out revolutionary work in the cities," the jurban guerilla leader said. His petite companion said she was an expert in urban guerilla combat and an ACP trainer. "There is no distinction of gender in the revolution. I was trained like any other Red fighter," she said.

She said she had been with the NPA since dropping out of school in 1977.

The first documented "tactical offensive" by the ACP was the May, 1984, slaying of Brig. Gen. Tomas Karingal, a district police chief of Metro Manila, who was gunned down at a restaurant in neighboring Ouezon City.

The NPA claimed credit for the killing. Police have not solved the

Confirming their presence in the capital, Gen. Ramos told the Foreign Correspondents Association of the Philippines on July 31 that ACP guerillas may have been behind recent slayings of policemen and armed robberies here.

"It's in the urban areas where they find some easy picking," he said.

The ACP leader interviewed said he was from the southern city of Davao, hatching ground of the ACP together with Cebu City at the start of the decade.

Defense Minister Juan Ponce Enrile said recently that Davao was

the rebels' "laboratory" for armed factics to be used here.

The ACP leader said that in Davao alone, ACPs had killed two to three soldiers, policemen and government informers daily since last year despite the reported presence of four military batallions there.

Communist rebels consider Metro Manila favorable for urban warfare because its roughly eight million people include a horde of workers and squatters. The metropolis has 16 satellite cities and towns.

Like the countryside NPA, the ACPs said they specialized in four areas — intelligence, assassination, harassment and destruction of enemy

facilities.

The ACPs, who operate in groups of three or four, say they are expert with hand-guns, though they also use high-powered rifles for big operations such as raids on military detachments and government offices.

They said building up armed support groups among civilians was their priority. While the ACPs launch tactical offensives, armed organizers are tasked to intensify underground political work in urban communities.

"Our strength is not only based on the armed capability of the partisans but more on the mass support in the cities," the ACP leader said.

CSO: 5600/4404

LEADER QUESTIONS ONE-MAN ONE VOTE SYSTEM

Penang THE STAR in English 22 Aug 85 p 8

[Text]

KUALA LUMPUR, Wed. — Singapore is reviewing the one-man-one-vote system because it is afraid the voters may be swayed by politicians who championed popular policies, its First Deputy Prime Minister Goh Chok Tong said tonight.

This system could be misused to extract concessions

used to extract concessions from the Government in the form of substdised bus fares, health, housing or lower taxes.

lower taxes.

"This would be suicidal for Singapore," he said at a dinner hosted by the Harvard Alumni Club.

Mr Goh was replying to a question from Tan Sri Tan Chee Khoon whether the Singapore Government was reviewing the system because the ruling People's Action Party (PAP) felt threatened by the loss of two seats in the the last elections. elections.

He said it was not so much the loss of two seats as the way the votes were

Mr Goh said most voters did not want to see a change in the Government but vot-ed for the opposition to ex-press dissatisfaction over

press dissatisfaction over specific policies.
"They should vote for the party which can best represent them and not to extract concessions," he added.
Mr Goh said the Government often had to be tough to bring about solutions to long term problems.

"Tough policies which can solve long term ills, un-fortunately cannot always be appreciated by the people who do not see the prob-lems as we see them," he

Mr Goh said the Govern-ment was thinking of giving ment was thinking of giving more authority to elected representatives within their constituencies so that the people would have to "live with the consequences of their votes."

In reply to questions of the move to give the President executive powers, he said it was to safeguard the country's reserve funds and not because Prime Minister Lee Kuan Yew lacked confidence in the second generation leaders.

"Mr Lee would not have appointed me his deputy if he did not trust me to do the job."

Mr Goh likened the pro-posal to a second key that

posal to a second key that was required to open the box of funds.

On whether the Singapore Government might have become too autocratic in its paternalistic approach, Mr Goh replied:

"Ac relitions and second key that was required to open the second test to open test

"As politicians, we must think we know best. Other-wise we would not be offer-ing ourselves as elected

"I do not see why we should apologise for thinking this way. It is up to other politicians to prove that they have a better vision and show how it can be done."

CSO: 4200/1563

ECONOMIC RECOVERY PANEL ESTABLISHED

Penang THE STAR in English 27 Aug 85 p 22

[Text]

SINGAPORE: The Singapore government yesterday announced it had set up a ministerial economic committee to help nurse the economy back to

health. The first Deputy Prime Minister and Defence Minister Goh Chok Tong, in making the announcement, also said the government had drawn up an "action plan" to help some 70,000 small businesses in the republic.

He said the new eight-member committee to help nurse the economy back to health included himself and seven other ministers.

other ministers.

other ministers.

Speaking at a National Day dinner in his Marine Parade constituency, Mr Goh noted that the republic had grown "too fast" in the last five years and was now "suffering the after effects."

He stressed that there was no quick cure to the problems but "we should be dearly and the problems but he next dearly and the problems.

not despair and it would not be perma-

For the first time in two decades, Singapore's economy had a negative 1.4 per cent growth for the second quarter of this year.

The government in the past few weeks had announced several incentives such as property tax rebates, cheaper loans, cuts in telecoms charges, land sales freeze and venture capital fund as part of plans to put the economy back on the track.

Focusing on the action plan to help small businesses, Mr Goh said small businesses were important because they accounted for more than 99 per cent of business units in Singapore and employed about 56 per cent of the workforce.

He outlined three groups of enterprises that the government intended to concentrate on first, including enterprises which directly or indirectly export their goods and services.

He also named enterprises engaged in support services and products required by other export-oriented businesses, as well as those in traditional businesses which have the potential to be upgraded and modernised.

To qualify for help, these enterprises must have at least 30 per cent local equity and fixed assets not exceeding \$\$8\$ million (US\$3.6 million).

These criteria are similar to those of the industries finance scheme administered by the Economic Development Board (EDB).

The EDB has asked for an initial budget of \$\$100 million to be spent over the next five years to help small businesses, and Mr Goh said the government was ready to double this amount if the businesses resulted in upgrading.

In addition to Mr Goh, the new eightmember ministerial committee comprises the Second Deputy Prime Minister Ong Teng Cheong, Minister for Foreign Affairs and Community Development Suppiah Dhanabalan, Minister for Education and Trade and Industry Tony Tan, Minister for National Development Teh Cheang Wan and Minister for Finance and Health Richard Hu, acting Labour Minister Lee Yock Suan and the Minister of State for Trade and Industry Brigadier General Lee Hsien Loong. — AFP.

4200/1563 CSO:

POSSIBILITY OF DEVALUATION OF SINGAPORE DOLLAR RULED OUT

HK160907 Hong Kong AFP in English 0857 GMT 16 Sep 85

[Text] Singapore, Sep 16 (AFP)—The government today ruled out the possibility of a devaluation of the Singapore dollar in the near future and said it was taking action to end speculative attacks on the currency.

Goh Keng Swee, deputy chairman of the Monetary Authority of Singapore (MAS)—the republic's equivalent of a central bank—said that the belief that the government wanted a cheaper Singapore dollar was baseless.

In a press statement issued here, Mr Goh said this belief, which was widespread in the financial market, sprang from the argument that a cheap dollar would benefit the export industry.

Mr Goh, who stepped down from the government as first deputy prime minister last December and is now an economic advisor to the government of China, said: "Both the belief and the argument are wrong."

He said the local content of Singapore exports consisting of wages, rents, utilities and locally made components averaged around 20 percent.

The proportion of locally made components bought to make products for export was small, as most components used by manufacturers here were imported.

A depreciation of the Singapore dollar would increase the cost of these imported components, \mbox{Mr} Goh said.

A 20 percent devaluation, Mr Goh said, would reduce manufacturing costs by only four percent in terms of foreign currency. On the other hand the cost of imports will be increased by 20 percent in terms of the Singapore dollar.

Also as most of Singapore's consumer goods including food are imported, a devaluation would cause an eventual rise in the cost of living of between 12 and 15 percent and push up wages, leading to a loss of most of the small initial benefits of the devaluation, Mr Goh said.

Mr Goh said the MAS was taking action to "repeal recent sustained speculative attacks" against the Singapore dollar, but gave no indication of the likely measures.

Financial sources said Mr Goh's statement was an attempt to arrest the slide in the value of the Singapore dollar seen since the beginning of this year, due largely to persistent speculation that the government might devalue it in the face of poor economic growth.

They said that at the end of last month, the MAS, for the first time this year, stepped into the foreign exchange market to push up the Singapore dollar to 2.24 against one U.S. dollar after the local currency hit a low of 2.27 compared to 2.18 at the end of July.

The Singapore dollar has fallen 20 percent against the British pound, 14 percent against the Deutsche mark and the Swiss franc, eight percent against the yen and two percent against the Malaysian dollar since the beginning of the year.

cso: 4200/1556

MONETARY AUTHORITY ENDS INTERVENTION IN FOREX MARKETS

HK181618 Hong Kong AFP in English 1602 GMT 18 Sep 85

[Text] Singapore, Sept 18 (AFP)--The Monetary Authority of Singapore (MAS), in an apparent admission it had ended its latest intervention in the local foreign exchange markets to prop the Singapore dollar, today issued a warning of further action if speculation re-emerged.

In a statement late in the day after the Singapore dollar which opened at 2.17 against the greenback had lost 100 points to close at the overnight level of 2.19, MAS Deputy Chairman Goh Keng Swee said the MAS had achieved its purpose and liquidity was being injected into the financial market.

Mr Goh or other officials of the MAS--Singapore's de-facto central bank--were not available to clarify whether the MAS had, as bankers expected, begun releasing Singapore dollars it bought up causing a currency shortfall that shot up the overnight inter-bank interest rate to 105 per cent.

Such rates, the highest in recent memory, found some corporation drawing on their bank credit lines at prime lending rates to re-lend the inter-bank overnight rates at a profit. They drew a stern admonition from Mr Goh today.

The MAS entered the fray on Monday marked by a fiery statement from Mr Goh clearly aimed at speculators that the government would not devalue the local dollar in order to boost Singapore's export-dependant economy which had slid to a negative growth for the first time in 25 years.

Today Mr Goh said the MAS move against what he called a sustained speculative attack on the local dollar which caused it to sink to an eight year low of 2.3 to the U.S. dollar last Thursday, proved the MAS could influence its currency more effectively than central banks even in the developed world.

Mr Goh's statement had a salutory effect and the dollar closed Monday at 2.25 to the U.S. dollar compared to the weekend level of 2.28 after a steady decline since the high July end closing of 2.18 achieved by MAS's first intervention in the Forex market this year.

According to Mr Goh's statement today, the latest intervention by the MAS—which has seldom interfered with the market—had caused speculators, many of whom he said had borrowed from banks to finance the operation, to suffer heavy losses.

He said speculators would be well advised to leave the Singapore currency alone and choose "softer targets" if they must. He also called on banks who lent money to speculators to recall the loans or at least not to renew them on maturity if the purpose is known to be currency speculation.

Singapore's lone economic daily, THE BUSINESS TIMES, today said there had been casualties in the wake of the MAS actions, particularly among foreign banks which had speculated heavily against the local currency [in recent] months.

These banks were said to be caught in a liquidity squeeze. "MAS is tightening the screws on the Forex and money markets. Some operations will soon start licking their wounds," the treasury manager of a U.S. bank was quoted as saying by the daily.

The overnight interbank rate is for borrowing money for one day, normally to make up a bank's reserve requirements or to fund loans.

If such rates prevail, banks are expected to have trouble maintaining prime rates at the current 6.5 to seven per cent.

The government is believed to want continued low lending rates to promote business recovery.

CSO: 4200/1560

THAILAND

RAILWAY UNION LEADER'S DISMISSAL DISCUSSED

Dismissal Order, Background Information

Bangkok MATICHON SUT SAPDA in Thai 11 Aug 85 pp 11, 49

[Article: "Ahmat Khamthetthong Dismissed in Response to Resolute Measure, Action Taken Against Laborers"]

[Text] Order CK 9/2235/501

Subject: Punishment of Mr Ahmat Khamthetthong, a Grade 2 Engineer at the Production Welding Shop, Mechanical Engineering Section.

This action is being taken because it is clear that on 3-5 July 1985, Mr Ahmat Khamthetthong failed to carry out his duties and tried to incite other railway workers to stop working. This had a very adverse effect on the activities of the State Railway of Thailand. Even though the State Railway of Thailand ordered him to desist and return to work, he disobeyed the order. His actions are a violation of State Railway of Thailand Regulation 3.5, Article 4 (D) and (F), the penalty for which is dismissal. He was also in violation of Article 6 (5) and (7).

Thus, using the power granted by Article 5 of General Order BPB 84/1982 of 23 August 1982, Mr Ahmat Khamthetthong, identification No TSK 0275083, whose monthly salary is 5,430 baht, has been dismissed from his job effective 2 August 1985. Order issued 2 August 1985.

Orders 502, 503 and 504 pertaining to Mr Piya Kangwan, Mr Kosum Klomketu and Mr Phat Matrat respectively have been issued for the same violation.

On the evening of 2 August, the same day that the orders were issued, the State Railway of Thailand [SRT] informed the mass media about the dismissal of these four men, that is, Mr Ahmat Khamthetthong, the president of the SRT Labor Union and president of the Employees' Council of the Labor Council of Thailand, Mr Phat Matrat, the president of the Employees' Labor Union of the SRT, Mr Kosum Klomketu, the secretary

and representative of the employees of the SRT at the Makkasan workshop, and Mr Piya Kangwan, the vice president of the SRT Labor Union.

During an interview, Mr Banyong Soralam, the general manager of the State Railway of Thailand, provided additional details on the decision to take resolute action against these leaders of state railway workers. "After the latest strike at the beginning of July, I formed a committee to investigate this matter and see whether they had committed any violations. The committee found that they had clearly committed a violation. There was much evidence, including documents, pictures, witnesses and even video recordings. Thus, they were dismissed. They will not be paid 1 baht in compensation. And that is not all. The SRT will file criminal and civil charges against these four men and request damages for their having incited a strike."

The interview with Mr Banyong shows that the SRT has prepared evidence and that it has analyzed the situation and what could happen as a result of this. In the past, the SRT was always on the defensive in the face of the movements of the railway workers under the leadership of the various labor union leaders. But this time, it has taken the offensive in this game and will file criminal and civil charges against these men.

"This is a game that the employers are playing with the employees. Instead of allowing the employees to seize the offensive by filing charges with the Labor Court and putting the SRT in the position of the defendant, this time the SRT has gone on the offensive just as when charges were filed againt Mr Sawat Lukdot, the former president of the SRT Labor Union, and Mr Prathin Thamrongchoi, a member of the SRT Labor Union. In the end, they were dismissed. The only difference is that Mr Ahmat and the other three were dismissed immediately with charges filed later," said a labor union member who works for the SRT. He added that the reason why the SRT has dared to take this action is that there was no reaction following the dismissal of Sawat and Prathin.

During the railway protest of 3-5 July, Mr Ahmat and the other union leaders demanded that the SRT act in accord with the decision of the arbitration committee and pay workers money owed as a result of a change in status from hourly and daily workers to regular workers. In the end, Gen Prem Tinsulanon, the prime minister, ordered the SRT to follow the arbitration committee's recommendation, which was issued on 8 July 1984. He ordered the SRT to talk to the Ministry of Finance about the possibility of paying the money at once or when the workers retire. Because of this, the SRT workers went back to work.

During this period, senior SRT officials met with Police Department officials. The meeting was chaired by Police Gen Narong Mahanon, the director-general of the Police Department. The workers were ordered to end their protest or face arrest. Thus, on 4 July, the demonstration became much more tense. There were reports that demonstrators, particularly

protest leaders, had been arrested. But in the end, the SRT and the government used political measures instead. These rumors about the use of strong measures were just meant to put pressure on the striking railway workers. This achieved results since the protest leaders called off the strike the next day.

Mr Ahmat Khamthetthong was on a trip to Japan when the SRT ordered him dismissed. He returned to Thailand on the evening of 3 August and immediately told reporters that he would submit a letter to the prime minister in order to fight this order. He has not appealed to the president of the SRT or filed charges with the Labor Court. The SRT administrative section said that Mr Ahmat can do both of these things.

That same evening, the executive committee of the Employees' Council of the Labor Council of Thailand issued a resolution opposing this. It sent a letter to the prime minister and asked him to order the SRT to reinstate the 4 workers within 7 days, counting from 5 August.

"The Labor Council will carry on activities and meet periodically with the State enterprise labor unions, beginning with the SRT Labor Union. If the first five demands are not met, a nationwide strike will be called," said Mr Thanong Phothi-an, the vice president of the Employees' Council of the Labor Council of Thailand, after the meeting of the executive committee of the Labor Council.

"As for the response of Mr Ahmat and the others this time, they have tried to use the interests of the railway workers as the main reason for carrying on activities. They have fought for the rights of the railway workers based on the decision of the arbitration committee. They have constantly pointed out that they staged the demonstration because the SRT has failed to abide by the decision. But SRT administrators have said that the demonstration by workers under the leadership of Ahmat was an illegal act, which is a matter of methods," said a labor observer about this matter. He said that Ahmat does not think that anything can be achieved by fighting the SRT administrators directly since the general manager of the SRT has taken a tough stance and made preparations. Thus, Ahmat has implemeted a political plan and submitted a letter directly to Gen Prem. Because during the protest on 3-5 July, Gen Prem ordered the SRT to abide by the decision of the arbitration committee.

"He thinks that submitting the matter directly to the government will create a good struggle line and clarify things for the railway workers and workers in general."

Many members of the Thai Trade Unions Confederation are trying to determine what attitue Mr Phaisan Thawatchainan, the president of the confederation, will take toward this matter. Mr Phaisan was traveling abroad at the same time as Mr Ahmat. He was scheduled to go to the

United States and talk with the U.S. Textile Federation about the pressure being applied to Thai textiles. The person who took his place was Mr Ekkachai Ekkahankamon, the deputy president of the confederation, who said that there would be a meeting on 7 August.

"In principle, as a labor organization, the Labor Confederation probably supports this opposition movement. But as far as which method to use, it is not sure whether to use peaceful or violent means. This is a difficult matter since these two organizations have always been at odds," said a news source from the Labor Confederation about the confederation's attitude toward this problem. He said that the SRT dared to take this action because it knows that Mr Ahmat cannot control or obtain the support of all the railway workers. The two recent protests clearly show which group is stronger. Mr Ahmat and his group are becoming more and more isolated. But people must not become careless. If workers feel that this is a struggle for justice and for the rights of workers, if a leader is cut down, someone else will take his place. The matter could grow worse again. What must be watched is how the other workers besides the workshop workers and mechanics react to Ahmat.

"The split between Ahmat and Sawat and Prasoet may have given the SRT the green light to order his dismissal," said another observer in labor circles. He added that Ahmat admitted in a recent interview that "Sawat disagrees with Prasoet. It's not true that I am still friends with Prasoet. Actually, we have all gone our separate ways. There are many reasons why we disagree."

"If you remember, around the beginning of the year, Gen Prem ordered the cabinet to take resolute action against labor demonstrators. That was the period when state enterprise workers were protesting the sale of the state enterprise. They had threated to call a nationwide strike.

"Ahmat and his friends were dismissed because of that cabinet resolution. I am not sure whether such direct opposition to the prime minister will achieve results," said the same observer in conclusion.

Competing Interests, Conflicts

Bangkok MATICHON SUT SAPDA in Thai 25 Aug 85 p 7

[Article: "The Suicidal Plan of Ahmat Khamthetthong"]

[Text] The conflict between Mr Ahmat Khamthetthong and his group and the State Railways of Thailand subsided after Mr Ahmat was called to the Government House. Following that, at a gathering with SRT workers at the Makkasan workshop, he asked the workers to disband, saying that the SRT would not take action against them for holding the protest.

Instead of holding a protest demonstration, it is thought that Mr Ahmat's next step will be to submit a letter appealing his dismissal by the SRT.

A news source in the Government House has informed MATICHON that one of the government's concerns about this demonstration by Mr Ahmat and his group was that some of the workers who took part in the demonstration did so for improper reasons. Government intelligence officials learned that some of the workers had ties to certain field-grade officers who had been dismissed from government service and certain right-wing officers who still have power.

Gen Prem Tinsulanon, the prime minister, has received reports on this frequently.

The protest leaders established a planning and command unit at a first-class hotel with ties to certain right-wing officers who work at the administrative level.

"These officers are responsible for coordinating mass media activities for their bosses," said a news source who had once studied in the United States to MATICHON. He added that the "agents" of these senior officers helped facilitate things for the leaders of this protest.

After the prime minister received a report on this from intelligence officials, he ordered Gen Prachuap Suntharangkun, the deputy prime minister, to call a meeting of the National Security Council on 15 August. Certain officers who had once had ties to workers were investigated. It was found that they were not involved in any way and that this had been a spontaneous demonstration.

The news source in the Government House said that senior officers generally opposed this demonstration by SRT workers. In particular, Gen Thienchai Sirisamphan, the deputy supreme commander who serves as the president of the SRT, opposed this.

Gen Athit Kamlangek, the supreme commander and RTA CINC, has not shown any interest in this at all. A military news source said that Gen Athit Kamlangek is now much less interested in politics than before. He is now involved in reshuffling officers.

Officers who previously played a part in politics, such as Gen Mana Rattanakoset and Lt Gen Chawalit Yongchaiyut, are now keeping a very low profile.

A news soruce in political circles observed that the reason why most officers have stayed out of this is that this is the time of the annual military reshuffle. If they become involved, they risk losing a promotion. As for the rumors that the demonstrators have ties to certain right-wing

officers and retired field-grade officers, this is probably an attempt to link the demonstrators and the field-grade officers and certain members of this group.

However, after the National Secutiy Council held its meeting and Mr Amat Khamthetthong was called to the Government House for discussions, the affair subsided when the demonstrators disbanded. This was a victory for the government, which took action before the matter got out of hand and became another political crisis.

Something worth noting is that before Mr Amat and his friends were dismissed, amidst the general unhappiness of the SRT workers over the back-pay issue, there were rumors that it was Lt Gen Chawalit Yongchaiyut, the deputy army chief of staff, who was behind this protest demonstration.

However, a news source in military circles told MATICHON that Lt Gen Chawalit Yongchaiyut would definitely not take the risk of getting involved in this since the annual promotions are now being considered. If he became involved, he might well lose his chance of being promoted to a better position or even be transferred from the army to Supreme Command Headquarters.

Besides this, the split between Mr Ahmat Khamthetthong and Mr Wanchai Phrompha--with Mr Prasoet Sapsunthon siding with Mr Wanchai--is an indication that Mr Ahmat may form political ties with others instead of the "Democratic Revolution" professor [Prasoet]. Certain labor groups that have ties to certain power groups may intervene in this power struggle between Mr Ahmat and Mr Wanchai.

What will be the fate of Mr Ahmat Khamthetthong? What will the decision be on his appeal? And will his political fortune rise or fall? These are matters worth watching. But what is certain is that the conflict between Mr Ahmat and Mr Winai will become even more apparent, and their paths will take those of Mr Sawat Lukdot and Mr Prathin Thamrongchoi.

Rival Leader Questions Ahmat Motives

Bangkok MATICHON SUT SAPDA in Thai 25 Aug 85 pp 13-15

[Interview with Mr Phayung Manichoti, the president of the SRT Operators Union; date and place not specified]

[Text] [Question] What is your view on the 5-16 August strike by railway workers?

[Answer] Viewed from a labor standpoint, this demonstration by SRT workers is part of the labor movement in the struggle being waged by workers. But the quesiton is, What was the purpose of this and was there any political interference? Initially, the protest concerned

the payment of wages as stipulated by the arbitration committee. But then other things became mixed in with this, that is, the issue of labor leaders being dismissed. And another issue is the attempt to destroy the labor unions. Thus, it is not clear what the real objectives of this demonstration were.

Besides this, why was there a rush to engage in a fight? People forgot that socity has rules. Everything must proceed in stages. This was bad for both sides. It would be good if people on both sides held firm convictions and thought about the well-being of the people of the country. But if people rush into things without careful consideration, the image of the labor unions will be tarnished in the eyes of the people. I support the struggle being waged by workers. But I do not agree with rushing into things without considering the existing situation.

The struggle must be based on reason. People can't carry on a struggle if they do not understand the objectives. It's no good if there is interference in the struggle and the situation constantly shifts.

[Question] You have been criticized for siding with the administrators. What is the truth?

[Answer] As for the criticisms leveled against me by some labor leaders, I would like to point out that they have not bothered to get the facts from me. As for siding with the administrators, I side with them in that I want to build... I want the laborers to have reasons. I will stand with the administrators in order to promote the well-being of railway workers and other people. I have issued only one statement, which asks people to consider the activities carefully. I have constantly said that I sympathize with those leaders who were dismissed. But that does not mean that we have to rush into things. Because if there is a fight, we will have to fight the government. Is that what we want?

Both sides must show more flexibility and try to find a way to solve the problems in a reasonable manner based on a democratic system. Everyone knows what must be done to live together peacefully. By advocating this, does this mean that I side with the administrators? Why have people drawn that conclusion when all I have done is said that people should not rush into things but have clear objectives in waging a struggle. If a mistake is made, the workers may lose honor. The people may view us in a negative way. If we value justice in society, we must get society to accept the fact that we value justice.

We love our country. Thus, if someone stirs up trouble, the people will think that these people are concerned only about their own interests. Can we make it clear that we have taken this action because there is no other option? The struggle by the workers must not become a struggle for power among certain people. The struggle must be based on reason and on a firm standpoint.

As for their criticizing me, they have the right to express their opinions. But in expessing an opion, people must be fair. I have never said that these people launched this struggle for selfish reasons or that they have concealed their intentions in order to further their own ambitions. I have never said that. When I spoke on television Channel 9, I was not aware of anything. That day, I went and asked the SRT for permission to use a place for a large meeting. The mass media came and itnerviewed me in my position as a union representative. They asked whether the trains would stop running. I said that the trains were still running.

I have never been contacted by administrators, and I have never formulated plans with employers to put pressure on employees. I joined labor circles in 1981. In 1984, the workers accepted me as one of their leaders. If I were not sincere toward the workers, I can assure you that the 5,000 railway workers in my union.... I received the most votes nationwide. This is proof of what I have done. It is simply not true that I have sided with the administrators.

[Question] How great a role did the military play in supporting or calling for an end to the strike staged by railway workers?

[Answer] I don't know whether the military was invovled or not. But it is not the responsibility of the military to interfere in labor matters.

[Question] During the last strike when the trains stopped running, what steps were taken and at what point did the military intervene?

[Answer] During the struggle in 1984, we tried to solve the problem by negotiating with the Ministry of Communications. But, as everyone knows, Mr Samak Sunthonwet was not able to solve the problem. The problem was finally solved when the matter was discussed at a meeting of the Communications Subcommittee, at which an agreement was reached. As for other stages, I really don't know whether other things were involved since at that time, I had not had any experience in labor circles. I don't know who coodinated things. When the agreement was reached, I accepted it.

I have never met a senior military officer. I have never met Gen Athit Kamlangek or Lt Gen Chawalit Yongchaiyut. I have never even had a private talk with Gen Thienchai Sirisamphan, the president of the SRT. I don't know him personally. As for other labor leaders, I have heard that they are in contact with this and that person.

[Question] In this latest strike by railway workers, why were you unable to coordinate things with Mr Ahmat Khamthetthong? In the past, there was good coordination.

[Answer] I must be careful in what I say about why a conflict has arisen. Mr Ahmat has been in labor circles since 1972. I became involved in 1981. I worked with him during the big demonstration in November 1984. While working with Mr Ahmat, union leaders who had worked with him before gave me some advice. Mr Phaisan Thawatchainan and certain railway workers who had had experience with Mr Ahmat told me, "you are playing with fire." They told me that I would unknowingly become the tool of Mr Ahmat. Mr Ahmat once told me that politics always leads unionism. They told me that I could easily become a tool of his. But I did not believe them since I did not believe that this could be harmful to my work, to which I was devoted.

However, I did become more careful, and I did learn a lesson. When I was working with Mr Ahmat, the real objective was to have the SRT comply with the decision of the arbitration committee. But what happened was that a letter was sent demanding that the cabinet be reshuffled. This was a very valuable lesson for me. And not only me. Nine others had the same thing happen to them. During that struggle, our image was almost destroyed because the objective of the struggle was to change state power, which is something that very few of the locomotive drivers could accept. There was a polarization of power in that period.

We told Mr Ahmat that if he wanted to engage in such activities, he should become a senator or something. We asked him not to involve politics in the strike by the railway workers. We told him that if he continued, no one would support him. Also, people criticized me for not having heeded the warning.

That experience shows why I did not participate in the recent protest. However, personally, I think that Mr Ahmat has a good disposition. He gets along well with people and is easy to talk to. He is not stubborn. But he has chosen a path that neither I nor the workers can accept.

[Question] Why do you think he has been isolated? What will this matter teach workers?

[Answer] Besides what I said above, Mr Ahmat found himself isolated this time because he did not clarify things for the other unions or the workers. He wanted people to join with him first before informing them about his objectives. This is an indication of what his intentions were. If he really intended to do everything possible to win the workers their money based on the decision of the arbitration committee, which would have been a just cause, why didn't he inform people instead of letting them think otherwise? The activities were probably a reaction to the pain of being dismissed.

I have frequently said that it is difficult to score a decisive victory over your opponent. But if we can reach a compromise, use our reason and proceed in stages, our activities will not generate such a reaction.

We just criticize each other. If we just try to win for the sake of honor and are not concerned about employment, we should forget the struggle. I am very concerned about the labor movement today. I am trying to figure out what can be done to get our workers to work for the people and the well-being of the poor. Have workers ever done this?

[Question] What were Mr Ahmat's objectives in carrying on these activities?

[Answer] I don't want to comment on that. But one observation that I will make is that his actions have not helped solve the real problems of the workers. During the demonstration on 3-5 July, in which I did not participate, people in Mr Ahmat's group said that the movement was being supported by the Communist Party. They also said that the goal of the demonstration was to topple the government. Why didn't Mr Ahmat clarify his intentions and tell people that those were not his objectives? This indicates that there was something secret behind his actions.

[Question] Is it true that in the beginning, the protest began to weaken but then on 13 August, which is when a second round of protests was held, the forces of the protestors were strengthened? It is said that the demonstrators were supported by a group of senior military officers who want a change.

[Answer] I don't know who would support that. But as far as I can tell, the forces increased in size on 13 August because of an accident. That is, a document supposedly written by the general manager of the SRT stated that because the labor situation was growing worse and could affect the entire country and because this situation could not be controlled, the workers were to stay off the job 1 more day. This was a fake document. Mr Banyong Soralam could not handle this matter in time. When the document was distributed to the workers, they thought that they did not have to go to work that day and so they joined the gathering. The SRT tried to correct the mistakes, but the mob automatically grew larger. As for the military, I don't know anything about that.

[Question] As for Mr Prasoet Sapsunthon participating in this demonstration by the railway workers, how were things coordinated? It seems that he is close to several labor leaders.

[Answer] We have to admit that Mr Prasoet knows many of the labor leaders. But I want to state frankly that I have never had anything to do with him. I have met him only twice. I was taken to meet him at his home, where we had a chat. We have not been in contact since. I don't know who agrees with his ideas.

[Question] The power groups in the SRT are at odds and are struggling for power. This has led to a lack of unity and enabled outside power groups to interfere easily. What is your view on this?

It's true that the leaders in the SRT are at odds with each other. Each person has his own reasons. If a person uses administrative means to serve some power base, that is an improper goal. We have to give and take. The image that I would like employees to project is one of serving the people, not just making demands. As for the lack of unity, I don't think that this will enable the administrators or other power groups to interfere.

[Question] What do you think of the administration of the general manager of the SRT. What does the deficit stem from and what should be done to solve this problem?

[Answer] The SRT's deficit is a chronic problem. This has to do with the SRT's administrative power. The SRT is under the control of several different units. Because of this, administration is not good. And as for the purchase of equipment, I don't know how well poeple are supervised in order to prevent corruption. Because items that are purchased cannot be used and they are expensive. The workers once invited the Communications Subcommittee to come observe things. But I don't know what action was taken.

To administer things well, the administrators must do something to improve the morale of the workers. Worker morale is very important. Is there a policy of having the employers share profits with the employees? How many years has it been since the SRT held a labor relations seminar for its workers? The labor unions have had to ask permission for workers to attend labor relations seminaors elsewhere. Why hasn't the SRT held such seminars? We have equipment and so forth. This would provide an opportunity to improve relations. The path of the workers will improve, and they will be able to understand things better. Don't use an "I am the boss" policy or forget all moral principles in administering things. In using workers, morale is very important. It will be impossible for a unit to make progress if this is overlooked.

As for changing administrators, if things do not improve this year, we must change administrators. We can't allow people to remain in their positions year after year if there are deficits. I sympathize with them, but what will the people think?

[Question] What do you think about the labor movement in Thailand today?

[Answer] There are two types of labor in our country: private-sector and state enterprise labor. At present, there is great pressure on the laborers, and things are ready to explode. The situation is sometimes quiet, but workers feel very oppressed, particularly concerning economic matters. The employees have asked for their pay, but the employers say that they don't have any money. There is great confusion. The people in power should extend help. There should be clear policies, and the pressure on the workers should be reduced. The various sides must share the profits so that one side does not feel hurt.

11943

CSO: 4207/281

TONGA

SAUDI ARABIAN OIL DEPOT POSSIBLE

Sydney THE SOUTH SEA DIGEST in English 23 Aug 85 p 2

[Text]

Negotiations are expected to begin shortly between the Tonga Government and the oil-rich Saudi Arabian Khashoggi family over plans to establish an oil depot in Tonga. Preliminary talks will be held in Saudi Arabia followed by final talks in Tonga. If negotiations are successful, said King Taufa'ahau Tupou IV, Tonga will benefit greatly from cheaper oil prices, including aircraft fuel, new employment opportunities and a doubling of government revenue. Other countries in the region would also benefit. The project, in which the Tonga Government and the Khashoggis will have equal shares, will include provision of a 200 000-tonne oil tanker to bring petroleum products from Saudi Arabia, and a 10 000-tonne tanker to serve the region. Two sons of Mr Adnan Khashoggi were in Tonga in September, 1984, for talks on investment opportunities (SSD/v4/14). It was reported in May last year that Warner Pacific Line, of Tonga and Pacific Resources Inc of Hawaii, would establish an oil depot at Touliki in Tonga's capital, 'Nukualofa (SSD/v4/3).

CSO: 4200/1548

PHNOM PENH RIDICULES POL POT'S REMOVAL

BK190711 Phnom Penh Domestic Service in Cambodian 1300 GMT 18 Sep 85

[Station commentary: "The Enemy's Perfidious Maneuvers Will Forever Be Smashed"]

[Text] Recently, Beijing and its lackeys staged a tasteless, outdated comedy known as the reshuffle of the genocidal Pol Pot clique. However, to date no one has been taken in by their shallow and obsolete trick. Even the most simple-minded person can clearly conclude that the changes of role within the genocidal Pol Pot clique constitute a bitter defeat for the Beijing expansionists and their Khmer Rouge lackeys. This ploy does not benefit anybody. On the contrary, it can only cause a further split and collapse of the Khmer Rouge. In particular, it will only cause demoralization, distrust, and low fighting spirit to their soldiers. The propaganda made by Beijing and Bangkok and over the loudspeakers of Democratic Kampuchea is aimed tactically at covering up the genocidal Pol Pot gang whose hands are stained with the blood of the Cambodian people, and at lessening the condemnation voiced by public opinion calling every day for the elimination of the genocidal Pol Pot gang both politically and militarily.

The PRK's stand, as ever, is correct and definite. In particular, the communique of the Cambodian, Vietnamese, and Lao foreign ministers' 11th conference held in Phnom Penh on 16 August clearly stressed that the PRK voices its readiness to negotiate with Cambodian opposition groups or individuals in order to discuss the process of national reconciliation on the basis of the elimination of the genocidal Pol Pot clique and the general election to be held after all Vietnamese volunteer troops are withdrawn from Cambodia. The elimination of the genocidal Pol Pot clique is of greatest significance and importance, for it is part of the life and death struggle and is the most requisite demand of the Cambodian people in defense of their national independence and rebirth.

It is evident that when the genocidal Pol Pot clique was usurping the power of the people, this clique most savagely pushed the Cambodian fatherland and people into bloodbath. This is a most heinous crime and the Cambodian people can never forgive them. The elimination of the genocidal Pol Pot clique does not mean that Pol Pot as an individual alone is to be eliminated, but both his political and military organs must also be eliminated. This realistic position was clearly confirmed by Comrade Hun Sen, member of the KPRP Central Committee Political Bureau, chairman of the Council of Ministers, and minister of foreign affairs of the PRK, at a press conference held on 16 August with local and foreign newsmen.

As the loudspeaker of Democratic Kampuchea was vociferously trumpeting the so-called reshuffle of the genocidal Pol Pot clique, Sihanouk in Paris repeatedly raised the proposal of what he called an international conference to be attended by the four Cambodian parties and a number of other countries. What does Sihanouk's proposal mean? Public opinion has from the outset clearly seen that Sihanouk's proposal recognizes the Khmer Rouge for what it is—a group responsible for the genocide of more than 3 million Cambodians and which is being widely condemned by the world's people.

We have again and again affirmed that the Cambodian problem must first of all be settled by the Cambodian people themselves. a correct stand made clear by the PRK in the communique of the 11th Indochinese foreign ministers conference. Like all progressive people the world over, the Cambodian people are well aware that whenever they are suffering bitter setbacks, the enemies always seek by all perfidious tricks and means to cover up the truth. However, whenever they try to deceive, they always suffer serious, repeated failures. They are experiencing the serious consequences of their internal disputes, infighting, and power struggle among the factions. Without the assistance and support of the Beijing expansionists working in collusion with the imperialists and the Thai rightist reactionaries, they would have collapsed and disintegrated long ago. Nevertheless, they cannot escape being utterly isolated, for the people throughout the world are vigorously demanding their elimination while the Thai reactionaries are facing a serious socioeconomic crisis manifested eloquently in the coup attempt in Thailand on 9 September. none of their perfidious maneuvers can save them from defeat. By contrast, our people's just struggle has won one success after another and is advancing steadily.

Through past struggles, our people have gained much experience and become well aware of all enemy maneuvers. Our people always uphold the spirit of revolutionary vigilance while developing the fighting stamina to smash all perfidious maneuverings and activities of the enemy in order to defend the fatherland and advance toward achieving more and greater successes.

PHNOM PENH COMMENTARY ON PRK'S ADVANCE

BK131202 Phnom Penh Domestic Service in Cambodian 1300 GMT 12 Sep 85

[Station commentary: "The PRK is on the Offensive and Advancing"]

[Text] The bitter defeat of the Pol Pot-Son Sann-Sihanouk remnant bandits in the 1984-85 dry season made the public more clearly realize the inevitable fall of the so-called CQDK which is in reality a shroud covering the corpse of the Pol Pot genocidal clique. On the other hand, the Cambodian revolution is developing, advancing, and strengthening. It has a strong position and has scored many victories. The entity and prestige of the PRK are soaring on the international scene.

The Pol Pot-Son Sann Sihanouk remnant bandits encountered bitter defeat during the last dry season. They lost their important support bases from which they supplied weapons, ammunition, and foodstuff to their troops. Furthermore, these subversion, rob our people, and destroy the peaceful lifeof the Cambodian people. The Pol Pot-Son Sann-Sihanouk remnant bandits have been demoralized and have no combat spirit. The internal conflicts among their three factions are more serious. The three reactionary groups have often fired at each other. French agency AFP reported on 24 August that these conflicts and disunity are the result of the loss of their bases along the Cambodian-Thai border due to the offensive by the Kampuchean Revolutionary Army and Vietnamese volunteer troops from November 1984 to March 1985. Radio Australia and the BBC reported on 28 July that Sihanouk threatened to resign from the position as president of the coalition government because 38 of his soldiers had been killed by the Khmer Rouge, a number of others captured, and military materiel destroyed. (Judith Koch) of the BBC Radio also stressed that, since the 39th UN General Assembly session, the alliance of the three factions of the so-called coalition government had changed a lot because their bases were destroyed and there are serious internal conflicts. This has shown more clearly the fall of these Khmer reactionary traitors. This has also shown the shameful defeat of the maneuvers of the Beijing Chinese expansionists and the Thai ultrarightists. Facing this bitter defeat, they have made every effort to distort reality and have intensified their propaganda aimed at misleading everybody. The

Beijing Chinese expansionists, the Thai reactionaries, and the ring-leaders of the three factions of Khmer traitors have charged Vietnamese troops with violating Thai territory. They have shouted that their defeat in the dry season was a victory. But their tricky propaganda does not convince anybody. They boast about sneding small groups of their troops into the interior of Cambodia. But in reality, this is only propaganda to encourage their mercenaries who were dispersed and are hiding. These Khmer reactionary soldiers wait for opportunities to plunder our people's paddy and rice to feed themselves. It is very obvious that they cannot achieve victory. In a recent interview with the French news agency, Sihanouk desperately admitted that at present the Khmer reactionaries are at a complete impasse and the situation is not improving. He added: We are completely destroyed. I think that I cannot win nor can I return to Phnom Penh before I die.

Son Sann also desperately threatened to resign if his army cannot win over the Kampuchean Revolutionary Army and Vietnamese volunteer troops. This has clearly shown that these reactionary traitors are advancing toward an abyss.

In order to hide the bitter defeat of their lackeys as their own defeat, the Beijing Chinese and the Thai reactionaries have sought various poisonous maneuvers to fool international public opinion. Recently, under the orders of their Beijing boss, the propaganda machine of Democratic Kampuchea clamored about the so-called resignation of the Pol Pot genocidal clique. But this dark and dirty tricky maneuver can mislead nobody.

There has been a rapid development in Cambodia over the past 6 years. The PRK's prestige has been soaring on the international scene. The great victory scored by our army and people in close cooperation with Vietnamese volunteer troops in smashing the Pol Pot-Son Sann-Sihanouk remnant bandits during the past dry season has resounded throughout the world. World public opinion has warmly acclaimed and welcomed this victory. The Cambodian people as well as other peoples the world over have firmly called for the elimination of the Pol Pot genocidal clique, politically and militarily.

The militant solidarity among the three Indochinese countries has been strengthened and developed vigorously. The cooperation among the three countries in the economic and cultural fields has faovred the restoration and development of the economy in each country. Due to the rapid development in all fields of the Cambodian revolution, the governments of the two countries—Cambodia and Vietnam—unanimously decided to carry out four annual withdrawals of Vietnamese volunteer troops from Cambodia. In particular, the communique of the 11th conference of the foreign ministers of the three countries—Cambodia, Laos, and Vietnam—which was held in Phnom Penh in August—clearly indicated that Vietnamese volunteer troops will be gradually withdrawn every year from Cambodia and the complete withdrawal will conclude

by 1990. In case these withdrawals are taken advantage of to undermine peace and security in Cambodia, the governments of the PRK and the SRV will consult each other and take appropriate measures. This goodwill proposal has been acclaimed by public opinion.

Although the PRK has steadily developed and advanced and despite its strong and victorious position, the party and the Government of the PRK have adopted a definite stand for the Cambodian people's happiness, that is the propagation of the 6-point clemency policy toward misled persons and the policy favoring national reconciliation. The PRK declares that it is ready to hold talks with various antagonistic Khmer groups or individuals to discuss the process of national reconciliation by standing on the principle of eliminating the Pol Pot genocidal clique. The PRK is also prepared to discuss general elections after the complete withdrawal of Vietnamese volunteer troops from Cambodia. This is the reality and a brilliant future that even a layman can clearly realize.

Although the Beijing Chinese expansionists have made every effort to collude with the U.S. imperialists and Thai reactionaries in seeking various poisonous maneuvers to rescue and support the so-called tripartite coalition government, they cannot revive these decomposed corpses. They will definitely be destroyed.

The PRK is steadily developing, advancing, and strengthening. No enemy can reverse the situation in Cambodia.

HUN SEN ADDRESSES KOMPONG CHAM PARTY MEETING

BK191213 Phnom Penh Domestic Service in Cambodian 0430 GMT 19 Sep 85

[Text] Kompong Cham Province's regional party meeting, held from 9 to 12 September under the chairmanship of Comrade Hun Sen, member of the KPRP Central Committee Political Bureau, Chairman of the Council of Ministers, and minister of foreign affairs of the PRK, came to a close with a brilliant success at a time when our entire party, revolutionary armed forces, and people are enthusiastically engaged in the emulation campaign to develop the radiant victories won by our revolution during the past dry season and achieve more and greater victories in attacking the enemy, proselytizing the misled persons, increasing production, and building strong localities in anticipation of the forthcoming fifth party congress. The participants in the meeting attentively followed and passionately discussed the draft political report of the KPRP Central Committee and a number of draft addenda to the party's statute in order to mobilize the collective opinion to be submitted for examination and endorsement by the fifth party congress. The meeting voted with a sense of centralized democracy to pick fully qualified and capable representatives to attend the fifth party congress.

Addressing the regional party meeting of Kompong Cham Province on behalf of the Central Committee, Comrade Hun Sen expressed satisfaction with and high appreciation over the outcome of Kompong Cham Province's regional party meeting held in accordance with the directives of the party Central Committee.

The comrade chairman of the Council of Ministers said, among other things, that the masses now have a better grasp of their right to be the master of the country. They have reflected this by launching the three-revolution mass movement and, especially lately, by joining with the armed forces in controlling the national territory, particularly along the border. Representing the vanguard forces controlling the Cambodian revolution are the revolutionary armed forces who, through combat, training, and tempering, have grown in size and quality, daring to sacrifice their own lives for the safeguarding of the people's lives, uniting with the friendly forces in

attacking and crushing enemy positions, and firmly positioning themselves along the Cambodian-Thai border. The regional forces and militia forces, including the provincial and district forces, the militia forces, and the forces of the people of Kompong Cham Province, are making gigantic steps forward. In addition to the above-mentioned point, all other sectors are also developing steadily, enabling the country to be reborn and the position of the Cambodian revolution within the strategic Cambodia-Vietnam-Laos alliance to be restored and strengthened more than ever before. The party--the general staff headquarters of the revolution -- has also been turned into a modern Marxist-Leninist party with correct, secure political line, displaying the proletarian character of a proletarian party. We have definitely and opportunely eliminated the danger of dictatorial privileges that are harmful to internal unity and international Through past persistent struggles, the party has been solidarity. put to immense tests and trials and now can make the revolution advance firmly. Contributing to the victories, Kompong Cham Province with its many important economic basies, especially rubber, has made great efforts, bringing about a speedy renaissance and development.

Comrade Hun Sen went on to say that the coming fifth congress of party representatives is a congress that will enlighten the path toward total victory in the struggle against the enemy to firmly defend the revolutionary gains of Cambodia, a congress that will enlighten the socialist line in Cambodia and that will set all goals of revolutionary activities for the 1986-90 period. This congress, through the grasp of the situation and actual implementation in the past 7 years, will make gigantic strides over the last congress, bringing greater clarity to the setting of objectives and policies. The success of our regional party meeting certainly contributes to the good preparations for the coming congress. In order to welcome our party congress, all comrades are asked to vigorously participate in the launching of the emulation campaign to make feats in the implementation of all revolutionary tasks by putting forth important work programs with specific targets and active implementation measures. It is particularly imperative to successfully carry on the rainy season campaign of fighting the enemy, proselytizing the misled persons, and increasing production. In production, it is imperative to accelerate the tilling, sowing, and transplanting tasks to the maximum in order to fulfill or overfulfill the rainy season plan. We must link all tasks with the task of building the intrinsic forces of the revolution, including the party, core groups, youth union, mass organizations, the provincial and district armed forces, and the militia forces in order to meet the slogan: "the party leads, the state manages, and the people become the master of the Cambodian revolution's destiny."

In all districts, communes, and villages of Kompong Cham Province, as in all localities in the rest of the country, the first most important thing is to strive by ayl means to strengthen and cleanse our party

so that it really takes deep root in the localities and has party members and cadres that are loyal to the fatherland, to the people, and to socialism, capable of leading the revolution, inclined to stay close to the mass movements, and endowed with a high sense of proletarian internationalist solidarity and close unity with Vietnam, Laos, and the Soviet Union.

CHEA SIM GREETS BULGARIAN FATHERLAND FRONT

BK191053 Phnom Penh Domestic Service in Cambodian 0430 GMT 19 Sep 85

[Text] Comrade Chea Sim, chairman of the KUFNCD National Council, has sent a greetings message to the chairman of the Bulgarian Fatherland Front Committee, on the occasion of the 41st anniversary of Bulgaria's socialist revolution victory. The message said, among other things:

We would like to extend warmest greetings and congratulations to you and the Bulgarian Fatherland Front Committee on the great victories scored in all fields during the past 41 years by the Bulgarian Fatherland Front and people in building their fatherland and in contribution to strengthening peace and stability in the world.

The victories won by the Cambodian people in the past 6 years, particularly the military victories won along the Cambodian-Thai border in the 1984-85 dry season, are made possible thanks to the correct and clear-sighted leadership of the KPRP and the KUFNCD. However, these victories are also attributed to the sincere assistance given us by the friendly socialist countries, including the Bulgarian party, front, and people.

On this 41st anniversary of the victory of the Bulgarian socialist revolution, we wish the comrades in the Bulgarian Fatherland Front Committee and the Bulgarian people new and greater victories in their national construction and their contribution to strengthening peace and stability in the world.

May Cambodia-Bulgaria friendship, solidarity, and cooperation last forever!

BOU THANG CONFERS MEDALS ON AIR DEFENSE FORCES

BK111109 Phnom Penh Domestic Service in Cambodian 1200 GMT 10 Sep 85

[Text] A grand ceremony conferring banner and medals on the Cambodian air defense forces was held at the Defense Ministry's office on the afternoon of 7 September under the chairmanship of Comrade Bou Thang, member of the party Central Committee Political Bureau, vice chairman of the Council of Ministers, and minister of national defense. Also present were Comrade Soy Keo, member of the party Central Committee, deputy minister of national defense, and chief of the KPRAF General Staff; Comrade Chieng Am, deputy chief of the General Political Department; cadres from the Defense Ministry; and Vietnamese experts and Soviet advisers.

At the beginning of the ceremony, Comrade Bou Thang conferred the Council of State's third class "Victory" medal on Comrade (Hong Kry), air defense combatant who shot down an A-37 plane of the enemy, and the Defense Ministry's commemorative banner on the air defense unit.

The ceremony proceeded in an atmosphere of great joy and firm confidence that the Cambodian revolution will win, the enemy will be defeated, and the Cambodian air defense forces will make greater achievements in the cause of defending and building the socialist fatherland.

The ceremony ended successfully after Comrade (Un Navy), chief of the Air Defense Department, spoke on behalf of cadres and combatants from all units thanking the superiors for their care and pledging to strive to surmount all obstacles, consolidate solidarity among cadres and combatants and with Vietnamese experts, and to train hard in combat tactics in order to increase combat capability for the defense of Cambodia's territorial integrity.

REPORT ON AGRICULTURAL DEVELOPMENTS

BK161159 [Editorial Report] Cambodian media monitored by Bangkok Bureau carried the following reports on agricultural developments during the reporting period 9-15 September:

Takeo Province: Phnom Penh Domestic Service in Cambodian at 1300 GMT on 10 September reports that in August, peasants in Treang District transplanted more than 11,700 hectares of rice, including more than 300 hectares of intensive rice; more than 200 hectares of subsidiary crops had also been planted. According to another report broadcast by the radio at 1300 GMT on 12 September, by early September, peasants in the province had transplanted more than 54 percent of the rice planned for the season, broadcast more than 1,700 hectares of floating rice, and harvested more than 3,600 hectares of early rice. At 1300 GMT on 13 September, the radio reports that this year peasants in Treang District planted almost 3,000 hectares of intensive rice and harvested more than 2,400 hectares of rice with an average yeild of 1 metric tone per hectare. In a report broadcast at 0430 GMT on 15 September, the radio says that by mid-August peasants in Bati District had transplanted more than 7,600 hectares of various types of rice and planted more than 6,000 hectares of subsidiary and industrial crops.

Mondolkiri Province: According to a radio report at 1300 GMT on 11 September, by the end of August peasants in the province had put 6,400 hectares of land under cultivation.

Siem Reap-Oddar Meanchey Province: The radio at 0430 GMT on 12 September reports that by the end of August, peasants in the province had transplanted more than 82 percent of the rainy-season rice planned and planted more than 900 hectares of corn, almost 1,000 hectares of potatoes, 1,500 hectares of vegetables, almost 600 hectares of mung beans, and more than 500 hectares of sugar cane. According to Phnom Penh SPK in French at 0423 GMT on 12 September, by the end of August peasants in the province had planted 145,200 hectares of rice and 4,800 hectares of subsidiary and industrial crops.

Kompong Cham Province: The radio at 1300 GMT on 12 September reports that by the end of August peasants in the province had planted more than 70 percent of rice planned for the season and more than 12,000 hectares of corn, 600 hectares of potatoes, more than 1,000 hectares of vegetables, 12,000 hectares of mung beans, more than 5,000 hectares of peanuts and soybeans, 500 hectares of sugar cane, more than 100 hectares of jute, and 200 hectares of cotton. According to SPK in English at 1120 GMT on 13 September, last month the three rubber plantations in the province, with the assistance of Vietnamese and Soviet experts, collected 9.5 million liters of latex and processed 1,820 metric tons of dry rubber; about 112 metric tons of crepe rubber were turned out. In another report in English transmitted at 1056 GMT on 15 September SPK says that by the end of August, peasants in Thong Khmum District had put 13,800 hectares of land under rice, or 70 percent of the plan, and planted 4,000 hectares of subsidiary The report adds that the district agricultural service provided the peasants with 220 metric tons of chemical fertilizers.

Kampot Province: In an interview broadcast by the radio at 1100 GMT on 12 September, the deputy head of the Angkor Chey District agricultural service says that during the 1985 rainy season, the district plans to put 14,340 hectares of land under cultivation, including 1,200 hectares of early rice, 4,700 hectares of middle rice, and 2,640 hectares of late rice. He adds that of this plan, 6,684 hectares of land have already been put under cultivation; moreover, 25 hectares of land have been reclaimed, 2,089 hectares of rice transplanted, 3,651 hectares of various types of rice--including 170 hectares of intensive rice--and 900 hectares of subsidiary crops have been planted. At 1300 GMT on 13 September, the radio reports that by the end of August peasants in the province had planted 81 percent of rice planned for this season; more than 46,000 hectares of intensive rice, 3,400 hectares of subsidiary crops, and more than 2,600 hectares of industrial crops had also been planted. In another report braodcast at 1300 GMT on 14 September, the radio says that by the end of August peasants in Dang Tong District had transplanted 114 percent of the rice planned and collected more than 9 metric tons of natural fertilizers. According to SPK in French at 0423 GMT on 14 September, by the middle of August peasants in Kampot District had transplanted 1,160 hectares and sown almost 700 hectares of rice. The reports add that the local authorities provided more than 28 metric tons of chemical fertilizers to the people.

Prey Ven Province: At 0430 GMT on 13 September the radio reports that by the end of August peasants in the province had broadcast or transplanted 74 percent of various types of rice planned for the season, including nearly 24,000 hectares of broadcast rice; more than 5,000 hectares of subsidiary crops and more than 2,000 hectares of industrial crops had also been planted. In another report broadcast at 1300 GMT on 15 September the radio says that so far peasants in Kanhchriech District have transplanted more than 7,000 hectares of various types of rice and sown more than 2,700 hectares of rice.

Kompong Chnang Province: At 0430 GMT on 13 September the radio reports that so far peasants in Toek Phos District have transplanted more than 1,300 hectares of intensive rice and raised more than 5,000 pigs, oxen, and fowls. According to SPK in French at 1140 GMT on 11 September, so far peasants in the province have sold to the state 200 metric tons of beans, 160 metric tons of dried fish, 150 metric tons of pork, and 11 metric tons of sugar. In a report in French transmitted at 0415 GMT on 15 September SPK says that by the beginning of this month, peasants in Kompong Leng District had planted more than 4,050 hectares of slash-and-burn rice and 2,406 hectares of floating rice, ore more than 66 percent of this rainy season's plan. In the meantime, local authorities had provided more than 34 metric tons of seeds to people in the district to counter drought effects.

Kompong Thom Province: At 0430 GMT on 14 September the radio reports that by the end of August peasants in the province had retilled 94,000 hectares of land out of the 128,000 hectares planned, sown 7,000 hectares, planted and transplanted more than 82,000 hectares of rice, and planted 1,000 hectares of subsidiary crops.

Kompong Speu Province: According to PSK in English at 1120 GMT on 9 September, peasants in the province now keep 132,500 head of cattle and buffalo and a considerable number of elephants and horses. The report adds that during the 1st half of this year, the local veterinary service vaccinated 9,270 cattle against various epizootic diseases. In another report in English transmitted at 1056 GMT on 15 September, SPK says that in spite of unexpected drought, peasants in Phnum Sruoch District had by mid-August transplanted some 4,700 hectares of rice, or 55 percent of the plan, including 1,350 hectares of medium-term rice and 830 hectares of short-term rice.

Kandal Province: In a report in English transmitted at 1116 GMT on 12 September, SPK says that during the 2-week period ending on 26 August, peasants in the province sold to the state 910 metric tons of corn. The report adds that in July the peasants also sold 130 metric tons of rice, 56 metric tons of beans and sesame, 300 metric tons of tobacco, 90 metric tons of vegetable oil, and 400 metric tons of palm sugar. In another report in English transmitted at 1058 GMT on 14 September, SPK says that due to unfavorable weather, peasants in Ponhea Loe District had by early August tilled only 1,440 hectares of land, raised 400 hectares of rice seedlints, and transplanted 300 hectares of rice.

Battambang Province: According to a report in English carried by SPK at 1056 GMT on 15 September, by late August peasants in Mongkolborei District had put 26,100 hectares of land under rice by direct sowing and transplanting, or 46 percent of the plan, 560 hectares of subsidiary crops had also been planted. The report adds that out of the 54,400 hectares of rice planned for this rainy season, peasants in Phnum Srok District had by the end of August put 11,120 hectares under cultivation.

BRIEFS

SIEM REAP RETURNEES—As part of their contribution to mass agitation work, on 29 July, militiamen in Sok Sen commune, Kralanh District, Siem Reap—Oddar Meanchey Province, persuaded six members of the Pol Pot army's 519th Division to return to the revolutionary authorities. They brought along two AK's. The armed forces in Varin District of the same province persuaded 79 misled persons to return to the fold between 20 and 30 July. These returnees brought along 58 assorted weapons and a large quantity of war materiel. [Excerpts] [Phnom Penh Domestic Service in Cambodian 1200 GMT 10 Sep 85]

SIEM REAP ARMED FORCES—During the last week of August, the armed forces of Siem Reap-Oddar Meanchey Province launched 23 operations against enemies. They killed two enemies, wounded six others, and seized nine assorted weapons. They also persuaded 127 misled persons to return to the revolutionary authorities. These misled persons include 118 Pol Pot elements and 9 sereika elements. They brought along 88 assorted weapons. [Excerpts] [Phnom Penh Domestic Service in Cambodian 1200 GMT 10 Sep 85]

ARMY RECRUITMENT--During the first 6 months of this year, due to efforts of women in the Province of Prey Veng, more than 600 people joined the army. The local militia force was also strengthened by many more members. Thousands of women took part in the national defense labor program, and manh misled persons were persuaded to return to the revolution. [Excerpt] [Phnom Penh Domestic Service in Cambodian 0430 GMT 10 Sep 85]

MISLED PERSONS RETURN--In August, 10 misled persons awakened and brought 5 weapons and many rounds of ammunition to surrender to state authorities in Kratie Province. They have been provided assistance and allowed to return to their families. [Excerpt] [Phnom Penh Domestic Service in Cambodian 0430 GMT 9 Sep 85]

BULGARIAN DEFENSE MINISTER GREETED--Phnom Penh, 22 Sep (SPK)--PRK Defense Minister Bou Thang sent warm congratulations to his Bulgarian counterpart, Dobri Dzhurov, on the occasion of the 41st founding anniversary of the People's Army of Bulgaria (23 September). In his message Bou Thang wrote: During the past 41 years, under the correct and clear-sighted leadership of the Bulgarian Communist Party, the Bulgarian Army and people have scored brilliant victories in defending their country and building it toward socialism. The People's Army of Bulgaria, strengthened by its close alliance with Armies of other fraternal socialist countries in the Warsaw Pact--of which the Soviet Union is a solid bastion-has diverted every threat to destroy socialism and world peace from world imperialism with U.S. imperialism as the ringleader. We are convinced that the bounds of friendship, solidarity, and fruitful cooperation between the peoples and armies of our two countries will develop with each passing day in the interest of peace and socialism. [Text] [Phnom Penh SPK in French 0406 GMT 22 Sep 85]

NEW ADMINISTRATIVE AREAS--Phnom Penh, 10 [date as received] Sep (SPK)--According to a decree of the Council of Ministers, a provincial "seat" is set up and a new district named Oral District created in Kompong Speu Province, 50 km west of Phnom Penh. The new seat includes 48 villages (phum) located in 2 wards (sangkat) and 3 communiques (qhum). The District of Oral comprises five communes taken from the province Thpong and Phnum Sruoch Districts. Four other communes in the province, namely Voa Sar, Ktum Krang, Skus, and Kaheng, also have their administrative boundaries changed. In another decree, it was decided to set up a new administrative area [arrondissement] comprising 3 wards, in the town-port of Kompong Som, 250 km southwest of Phnom Penh. Three other wards in the municipality have been reorganized into four new wards. Two municipal communes, namely Trang and Ream previously under the municipality's control, have been included into the District of Prey Nop while the commune of Toek L'ak in Prey Nop District is subdivided into two new communes each comprising four villages. [Text] [Phnom Penh SPK in French 0425 GMT 11 Sep 85]

SRV FRIENDSHIP DELEGATION LEAVES—Phnom Penh, 11 Sep (SPK)—The delegation from the SRV-PRK Friendship Association, led by its chairman, Phan Trong Tue, yesterday left Phnom Penh having concluded its 13-day visit to Cambodia. It was seen off by Chhuk Chhim, vice chairman of the PRK-SRV Friendship Association; Do Minh Chau, adviser to the Vietnamese Embassy; and others. During its stay, the delegation was received by Mat Ly, member of the KPRP Central Committee, vice chairman of the National Assembly, and chairman of the KFTU. It attended a meeting to mark the thanniversary of the SRV national day and meetings to set up branches of the PRK-SRV Friendship Association in various ministries and provinces. It also visited the Tuol Sleng museum of genocide, the mass graves at Cheung Ek (Kandal), the former royal palace, the Angkor Wat temple, and some educational and industrial establishments. [Text] [Phnom Penh SPK in French 0416 GMT 11 Sep 85]

RETURN OF DELEGATION--Phnom Penh, 18 Sep (SPK)--The delegation of Cambodia's Communications, Transport, and Post Ministry 1ed by Minister Tea Banh returned to Phnom Penh on Tuesday at the end of a

week-long visit to the Soviet Union. During its stay, the delegation met with Tikhonov Vladimir Ivanovich, first deputy minister of maritime fleet, [name and title as received] and the two sides exchanged their viewpoints on their cooperation in the matter. The delegation also held working sessions with the officials from the Ministries of Railways and Construction, Road, and Municipal Machine Building and other services. It also visited Leningrad port and other sites of the city. [Text] [Phnom Penh SPK in French 0401 GMT 18 Sep 85]

CSO: 4219/77

MILITARY AFFAIRS AND PUBLIC SECURITY

BRIEFS

VPA GENERAL STAFF 40TH ANNIVERSARY--Hanoi, VNA, Sep 7--A ceremony was held here today by the general staff of the Vietnam People's Army (VPA) to celebrate its 40th anniversary. It was attended by General Hoang van Thai, member of the Communist Party of Vietnam Central Committee and vice minister of national defence; General Le Trong Tan, member of the CPV CC, vice minister of national defence and chief of the general staff; Lieutenant General Dang Vu Hiep, member of the CPV CC and deputy head of the general political department of the VPA; Lieutenant General Le Quang Hoa; general inspector of the VPA and other senior officers. Speaking on this occasion, General Le Trong Tan recalled the history and the role of the general staff in particular and the army staff service in general in the resistances against the French colonialists and the U.S. imperialists in the past and the defence of the socialist fatherland at present. [Text] [Hanoi VNA in English 1554 GMT 7 Sep 85 OW]

CSO: 4200/1513

INTERNATIONAL RELATIONS TRADE AND AID

DELEGATINS SCORE U.S. AT LAW OF SEA CONFERENCE

BK170530 Hanoi Domestic Service in Vietnamese 1430 GMT 16 Sep 85

[Text] The second session of the third conference of the preparatory committee for establishing an international organization with authority over the seabeds based on the Law of the Sea was held in Geneva, Switzerland on 12 August - 4 September. At the conference, the SRV delegation led by Ambassador (Nguyen Phuong), the delegation of the Soviet Union, and delegations of socialist and developing countries attached to the Group of 77 closely coordinated their struggle to resolutely oppose the United States' gross violation of international law and the 1982 UN Convention on the Law of the Sea. The United States has arbitrarily issued permission to a number of U.S. corporations to explore natural resources in international seabeds protected by the 1982 UN convention as the common property of mankind. The conference also strongly denounced the United States and some western countries for their separate temporary agreements dividing up areas of the international seabeds with natural resource potential.

Thanks to the resolute struggle of the progressive forces, the draft resolution of the Group of 77 was adopted without a vote at the conference. The resolution has become an offical document of the preparatory committee. The preparatory committee, through its statement, has affirmed that only the preparatory committee has authority to set forth position and policy regarding natural resources in international seabeds and the exploration and exploitation of natural resources in international seabeds as stipulated by international law. The preparatory committee also rejected the temporary agreements reached by the United States and some western countries as well as the United States arbitrary act of issuing permission for exploration of natural resources in international seabeds. It is contended that these agreements and acts violate the 1982 UN convention and the authority of the preparatory committee, and that these agreements and acts are totally illegal.

The conference of the preparatory committee for establishing an international organization on authority over the seabeds and on the Law of the Sea is a victory for socialist and progressive forces.

CSO: 4209/652

INTERNATIONAL RELATIONS, TRADE AND AID

VNA REPORTS POLISH, BULGARIAN, CUBAN NATIONAL DAY GREETINGS

OW070751 Hanoi VNA in English 0702 GMT 7 Sep 85

[Text] Hanoi, VNA, Sep 7--Polish, Bulgarian and Cuban leaders have extended their warmest greetings to Vietnamese leaders on Vietnam's 40th National Day.

In their joint message, Wojciech Jaruzelski, first secretary of the Polish United Workers' Party Central Committee and chairman of the Council of Ministers; and Henryk Jablonski, president of the Polish State Council, said: "Vietnam's policy of peace as well as its initiatives and proposals aimed at ensuring a lasting peace, stability and cooperation with its neighbouring countries in southeast Asia have gained full support from the Socialist countries and all forces favouring dialogues and peaceful settlement of all disputes. The Polish Party, government and people greatly respect and admire the Vietnamese people for their achievement over the past 40 years, and wish to continue developing the bilateral relations, consolidating the close friendship and cooperation between the two countries in the interests of peace and socialism. [No final quotation marks, as received.]

Todor Zhivkov, secretary general of the Bulgarian Communist Party Central Committee and president of the State Council; and Grisha Filipov, chairman of the Council of Ministers, said in their message:

'Bulgaria highly values Vietnam's principled policy in the struggle against the imperialist aggression, for peace and security in the world. Vietnam has contributed to strengthening the position of socialism in the world and persistently struggled for a good neighbourliness in southeast Asia in order to make this region one of peace and cooperation. [No final quotation marks, as received.]

On this occasion, Todorov, chairman of the Bulgarian National Assembly; and Petur Mladenov, Bulgarian foreign minister, have sent messages to their Vietnamese counterparts.

In his message, Fidel Castro Ruz, first secretary of the Communist Party of Cuba Central Committee and president of the State Council and the Council of Ministers, said:

"Together with other socialist countries and peace and justice-loving nations, Vietnam has made great efforts in maintaining peace and mutual understanding among nations, especially southeast Asian countries. To the end, Vietnam has continuously advanced concrete and constructive proposals aimed at building an atmosphere of peaceful co-existence in the region.

Cuba fully supports the fraternal Vietnam's international stance and considers Vietnam's victories in its socialist construction and national defence [of] its own."

CSO: 4200/1513

INTERNATIONAL RELATIONS, TRADE AND AID

VNA CARRIES JOINT COMMUNIQUE ON DANISH CP VISIT

OW161819 Hanoi VNA in English 1545 GMT 16 Sep 85

[Text] Hanoi VNA 16 Sep -- The following joint communique is issued today on the Vietnam visit by a delegation of the Communist Party of Denmark:

At the invitation of the Central Committee of the Communist Party of Vietnam (CPV), a delegation of the Communist Party of Denmark (CPD) led by its chairman Jorgen Jensen paid a 10-day visit to Vietnam beginning on September 5. While here, the delegation paid floral tribute at the Ho Chi Minh mausoleum and visited the home and office of the late president.

Le Duan, general secretary of the CPV CC, coridally received the CPD delegation. The delegation met and had exchanges of views with the Vietnam Federation of Trade Unions, the Vietnam Women's Union, and the Vietnam Committee for Friendhip and Solidarity with Other Peoples. It visited Lang Son, Haifong, and Ho Chi Minh city, and toured a number of economic and cultural establishments.

On September 6, it held talks with a delegation of the Communist Party of Vietnam. Taking part in the talks on the Vietnamese side were Nguyen Duc Tam, member of the political bureau and secretary of the CPV CC and head of the delegation, Hoang Tung, secretary of the CPV CC; Vu Quang, member of the CPV CC and head of its international department; Mrs. Nguyen Thi Dinh, member of the CPV CC; and Nguyen Van Trong, deputy head of the international department of the CPV CC.

On the Danish side were Jorgen Jensen, chairman of the CPD CC; Bernard Jeune, member of the political bureau of the CPD CC; Niels Erik Danielsen, alternate member of the CPD CC; and Anne Marie Jorgensen, secretary of the Party Committee of Copenhagen.

The two delegations informed each other of the situation in their countries, the activities of their parties, exchanged views on international and regional issues of mutual concern and on strengthening the relations of friendship and cooperation between the two parties.

The CPV delegation fully supports the struggle of the CPD against the rightist forces and the monopoly capitalists for social welfare and democracy, for social progress of the working class and the entire people of Denmark.

The CPV delegation highly values the efforts of the CPD and all the democratic and peace-loving forces in Denmark in the struggle against the U.S. bellicose policy of intensifying the arms race in a bid to gain military supremacy, thus seriously threatening world peace, against Denmark's participation in the new and dangerous nuclear strategy of the NATO, against other reactionary policies which make Denmark dependent on the NATO and the EEC and the CPD's support for the struggle to turn Northern Europe into a nuclear free zone.

The CPD delegation expressed its admiration for the Vietnamese people's tradition of heroic and staunch struggle against the aggressive wars waged by colonialism and imperialism, for the independence and freedom of the father-

It highly values the epochal victory of the Vietnamese people's anti-U.S. war of resistance for national salvation as well as the great achievements they have made in the past ten years. The CPD holds that the Vietnamese people's struggle is an important contribution to the common struggle of the world people against imperialism, colonialism, old and new, and other reactionary forces, for peace, national independence, democracy and social progress.

The CPD delegation expressed its solidarity with and full support for the communist party and people of Vietnam in their socialist construction and in their struggle against the schemes and hostile acts of the expansionist and hegemonist forces which are colluding with the imperialists, in defence of their national independence, sovereignty and territorial integrity.

The CPD delegation fully supports the consistent policy of peace and the efforts of Vietnam, Laos and Kampuchea aimed at turning Southeast Asia into a region of peace, stability, cooperation and friendship, and held that the proposals put forth at the 11th conference of the foreign ministers of the three Indochinese countries in Phnom Penh last August aimed at settling the issue of peace and stability in Southeast Asia and the "Kampuchea issue" by peaceful means and through early and substantial dialogue between the Indochinese and Asean countries have a constructive character consistent with the aspiration of the peoples in the region. This is an important contribution to the cause of peace and security in Southeast Asia and Asia as a whole.

The two delegations expressed their profound concern about the increasingly tense and dangerous situation in the world caused by the bellicose policy of U.S. imperialists and the most warlike circles in the NATO. They strongly condemned the U.S. administration for intensifying the nuclear arms race, deploying its medium-range missiles in Western Europe, carrying out the militarization of the space, increasing its military alliances in an attempt to break the present strategic equilibrium and gain military superiority over the socialist countries.

The two delegations condemned the U.S. scheme for deploying its Asia-Pacific strategy and setting up new military-political alliances in Asia and the Pacific to oppose the Soviet Union, the three Indochinese countries and the forces of peace and (?revolution) in the region. The two delegations condemned the feverish counter-attack of the U.S. imperialists against the national

independence and liberation movement, their intervention in the internal affairs of other countries and their support for the blood-thirsty dictatorial regimes in the world, the U.S. imperialists' adventurous policy is posing a serious threat to the peace and security of other nations and places the whole mankind before the danger of an extermination nuclear war.

The two delegations hold that faced with such a situation, the most important and urgent task at present of all nations and all forces of democracy, peace and progress is to step up their struggle to defeat the counter-attack of imperialism, ward off the danger of a nuclear war and defend world peace.

The two delegations highly value and fully support the Soviet Union's peace initiatives, especially comrade M S Gorbachev's recent statements on the Soviet Union's decision to unilaterally halt the installation of new missiles and all nuclear tests, its call for the fight against the arms race in space, and for international cooperation in the use of the outer space for peaceful purposes. The two delegations regard these as important practical measures which manifest the determination and efforts of the Soviet Union to ease the international situation, reduce and eliminate the danger of a nuclear war and defend world peace.

The two delegation hold that the struggle for peace is sparable [as received] from the struggle of the world to regain and consolidate national independence, and express their solidarity with and support for the struggle of the Asian, African and Latin American nation against imperialism and neo-colonialism, racism and zionism, for national independence, democracy and social progress.

The two delegations highly appreciate the major contributions of the non-aligned-movement with India as its chairman to the struggle against imperialism, for peace, national independence and for a new world economic order.

The two delegations noted that the strengthening of the solidarity and cooperation among the communist and workers parties the world over on the basis of Marxism-Leninism and proletarian internationalism and the strengthening of their cooperation with all other forces of democracy, peace, and progress all over the world are of great importance for promoting the common struggle against imperialism for staving off the danger of a new war and for ensuring peace and security of all nations.

The two delegations discussed measures to further develop the solidarity, friendship and cooperation between the Communist Party of Vietnam and the Communist Party of Denmark.

The two delegations noted that the fine results of this visit by the communist party of Denmark delegation will contribute to further strengthening the mutual understanding, solidarity, friendship and cooperation between the two parties and the two peoples in the common struggle against imperialism, for peace, national independence, democracy and social progress.

The Communist Party of Vietnman delegation expressed sincere gratitude to the Danish communists and people for their wholehearted support to the Vietnamese

people in their anti-U.S. struggle for national salvation in the past as well as in their present national construction and defence.

The delegation of the communist party of Denmark sincerely thanked the communist party and people of Vietnam for their warm and fraternal reception.

CSO: 4200/1553

INTERNATIONAL RELATIONS, TRADE AND AID

NATIONAL DAY GREETINGS FROM GDR, MPR, CSSR

OW071911 Hanoi VNA in English 1606 GMT 7 Sep 85

[Text] Hanoi, VNA, Sep 7--The GDR leaders have extended their warmest greetings to the Vietnamese leaders on the 40th anniversary of Vietnam's National Day.

The message of greetings signed by Erich Honecker, general secretary of the Central Committee of the Socialist Unity Party of Germany and chairman of the Council of State; Willi Stoph, chairman of the Council of Ministers; and Horst Sindermann, president of the People's Chamber of the German Democratic Republic, said:

"The Socialist Republic of Vietnam is making an important contribution to the struggle for peace, detente and disarmament, against the imperialists' policy of confrontation and intensified armament. The SRV's initiatives aimed at building southeast Asia into a region of peace, stability and cooperation is a factor of ever greater significance.

In their message of greetings Janos Kadar, general secretary of the Central Committee of the Hungarian Socialist Workers' Party; Pal Losonczi, president of the presidential Council of the Hungarian People's Republic; and Gyorgy Lazar, president of the Council of Ministers; said:

"We note with satisfaction that the comprehensive cooperation and friendship between our two parties, two countries and two peoples in the spirit of the Hungary-Vietnam Treaty of Friendship and Cooperation signed in November, 1984 have been constantly developed in the interest of the common cause of peace and socialism."

In their joint message of greetings to the Vietnamese leaders on Vietnam's 40th National Day, Jambyn Batmonkh, general secretary of the people's revolutionary party of Mongolia Central Committee and chairman of the people's great hural; and Dumaagiyn Sodnom, chairman of the Council of Ministers of Mongolia; said:

"The Mongolian people rejoice at and are proud of inspiring achievements recorded by the Socialist Republic of Vietnam in its Socialist construction and in implementing a foreign policy of peace, thus making its prestige and

position ever consolidated and raised. They also hold that Vietnam's coordination with other fraternal socialist countries in adopting an active foreign policy of peace on the international arena is making important contributions to strengthening the unity among countries in the Socialist community, defending and consolidating peace and security in Asia and the rest of the world."

Bat-ochiryn Altangerel, chairman of the people's great hural of Mongolia, on this occasion has extended his warmest greetings to Nguyen Huu Tho, chairman of the Vietnamese National Assembly.

Gustav Husak, general secretary of the Communist Party of Czechoslovakia Central Committee and Lubomir Strougal, prime minister of the government of Czechoslovakia, have jointly sent a message of greetings to the Vietnamese leaders on the 40th anniversary of Vietnam's National Day (September 2).

The message said: "Nowadays, an independent and unified Vietnam, a firm member of the Socialist community, with its worthy international position and prestige and with its principled foreign policy, is joining the effort to prevent a nuclear war, maintain peace and build the confidence and cooperation among countries of different social systems. We fully support Vietnam's close solidarity with Laos and Kampuchea in the struggle for peace, stability and good neighbourliness in southeast Asia."

Alois Indra, chairman of the Federal National Assembly of Czechoslovakia, has also extended his greetings to his Vietnamese counterpart, Nguyen Huu Tho.

CSO: 4200/1513

INTERNATIONAL RELATIONS, TRADE AND AID

BRIEFS

DANISH PARTY DELEGATIONS HOLD TALKS--Hanoi, VNA, 6 September--Talks between a delegation of the Communist Party of Vietnam (CPV) led by Nguyen duc Tam, Political Bureau member and secretary of the CPV Central Committee and the visiting delegation of the Communist Party of Denmark (CPD) led by Jorgen Jensen, chairman of the CPD Central Committee, were held at the CPV CC's office here today. Present at the talks on the Vietnamese side were Hoang Tung, secretary of the CPV CC; Vu Quang, member of the party CC and head of its International Department Mrs Nguyen Thi Dinh, member of the party CC and president of the Women's Union; and Nguyen van Trong, deputy-head of the party CC's International Department. The Danish side included Bernard Jeune, Political Bureau member of the CPD CC; Niels Erik Denielsen, alternate member of the CPD CC; and Anna Marie Jorgensen, secretary of the Copenhagen Party Committee. The two sides informed each other of the work of their respective parties and exchanged views on the regional and international issues of mutual concern. They also discussed measures to further consolidate and develop the friendship and militant solidarity between the two parties and two peoples. The talks proceeded in a cordial and friendly atmosphere. [Text] [Hanoi VNA in English 1508 GMT 6 Sep 85 OW]

RUBBER COOPERATION PROGRAM--Hanoi, VNA, September 8--The cooperation program on growing 50,000 ha of rubber in Vietnam signed between Vietnam and the USSR for the period 1981-85 was completed on September 6. Attending the ceremony held to welcome the fulfillment of the program were Do van Nguyen, member of the Communist Party of Vietnam Central Committee and head of the Vietnam General Department of Rubber; V.D. Naguibin, economic counsellor to the Soviet Embassy in Vietnam; V.I. Eremeyev, representative of the Soviet Consulategeneral in Ho Chi Minh City; N.I. Provotorov, head of the Soviet experts' team working at the Vietnam General Department of Rubber; and other senior officials. Taking the floor, Do van Nguyen praised the rubber plantation workers' great efforts to fulfill the program, the first of its kind in southern Vietnam. He exalted the Soviet Union's effective contributions to The head of the Soviet experts' team, N.I. Provotorov, and the program. Soviet economic counsellor V.D. Naguibin expressed their joy at the achievements made in the cooperation program and their belief that Vietnam and the USSR will successfully implement other programs. [Text] [Hanoi VNA in English 0657 GMT 8 Sep 85 OW]

DANISH COMMUNIST PARTY DELEGATION--Hanoi VNA 16 Sep--The delegation of the Communist Party of Denmark led by Chairman Jorgen Jensen left here today, concluding a 10-day official visit to Vietnam. It was seen off by Nguyen Duc Tam, political bureau member and secretary of the Communist Party of Vietnam Central Committee; Hoang Tung, secretary of the CPV CC; Vu Quang, member of the CPV CC and head of its international department, Mrs Nguyen Thi Binh, member of the CPV CC and president of the Vietnam Women's Union; and other senior party officials. [Text] [Hanoi VNA in English 1543 GMT 16 Sep 85 OW]

SDI PROGRAM--The national leading paper NHAN DAN on Monday [16 September -- FBIS] ran a commentary entitled: "Whither Will the SDI [Strategic Defense Initiative] Lead?" The paper said: The United States' Strategic Defence Initiative program, in the final analysis, is a squandering of the money of the American taxpayers to fill to the pockets of the multinational companies, the real rulers of American today. The paper said: Many U.S. Western allies are hesitated [as heard] at Reagan's pressure to force them to support and join his SDI program. The paper stressed: Contrary to the Reagan administration's SDI program, the Soviet Union, the socialist community, and mankind are joining efforts to put an end to all nuclear tests and the arms race. [Text] [Hanoi International Service in English 1000 GMT 16 Sep 85 BK]

BERLIN FAIR--Hanoi VNA 16 Sep--A Hanoi youth delegation participated in the "Future Skilled Workers" fair held in Berlin from Sept 4-12. The delegation led by Tran Van Tuan, member of the Hanoi Party Committee and acting secretary of the Hanoi organization of the Ho Chi Minh Communist Youth Union, was guest of the free German youth organization of the GDR capital. During the fair, it presented nine projects featuring the Hanoi young people's achievements in scientific and technical research on industry, agriculture, construction, communications and transport, public health and social affairs. While in Berlin, the delegation visited several establishments of the free German youth. It exchanged views with the host organization on the implementation of the program of bilateral cooperation in the past two years and worked out a program of actions for the next two years. [Text] [Hanoi VNA in English

CSO: 4200/1553

PARTY ACTIVITIES AND GOVERNMENT

CHAIRMAN OF COUNCIL OF MINISTERS HAILS NGHIA BINH

BK191057 Hanoi Domestic Service in Vietnamese 2300 GMT 18 Sep 85

[Text] On 16 September, the chairman of the Council of Ministers sent the following congratulatory message to Nghia Binh province:

According to Ministry of Food reports, as of 30 August 1985 Nghia Binh Province had overfulfilled the 1985 plan for procuring and delivering grain to the central government. Nghia Binh has thus fulfilled the state plan for grain procurement and delivery for 5 years in succession, from 1981 to 1985.

The chairman of the Council of Ministers warmly commends and congratulates the cadres and people of Nghia Binh Province for their outstanding achievements on the front of grain production and their high sense of responsibility in discharging the duty of delivering grain to the central government.

The chairman of Council of Ministers hopes that the cadres and people of Nghia Binh will satisfactorily care for and protect the 1985 10th-month rice crop, continue to buy surplus rice from the people, and overfulfill the additional quotas assigned by the central government to the province, thereby contributing to the efforts of the entire country in overcoming the present difficulties regarding grain supply.

cso: 4209/655

TO HUU ADDRESSES DISTRICT BUILDING CONFERENCE

BK180810 Hanoi Domestic Service in Vietnamese 1430 GMT 17 Sep 85

[Text] The Central Committee for District Building recently met in Ha Tuyen with the representatives of nearly 100 districts belonging to various northern mountain provinces to exchange experiences on economic development and on the strengthening of national defense. Comrade To Huu, member of the Party Central Committee Political Bureau, vice chairman of the Council of Ministers, and head of the party and government's committee for district building; and Comrade Vu Dinh Lieu, member of the Party Central Committee and vice chairman of the Council of Ministers, attended and spoke.

The participants proudly noted that the armed forces and people of various districts and towns in the northern border area had staunchly held onto their combat positions, defended firmly every inch of land and every hill along the fatherland's border, and thereby foiled the enemy's multifaceted war of saborage and land-grabbing war. Districts in the rear have given positive assistance to those districts along the border, while intensively carrying out many activities aimed at building districts into military fortresses and ensuring national defense and security under all circumstances.

Many districts have concentrated on developing hydroelectric projects in order to create a new source of energy locally. It is worth noting that many districts have recently learned how to link production with distribution and circulation and paid specific attention to exportimport activities in a bid to create a stabilized source of income for district budgets.

Addressing the conference, Comrade To Huu pointed out the position of districts, especially northern mountain districts, saying that they possess potential economic and national defense advantages in socialist construction and in the defense of the socialist fatherland.

PARTY ACTIVITIES AND GOVERNMENT

TRUONG CHINH'S ADDRESS AT TRI AN PROJECT SITE

BK161449 Hanoi NHAN DAN in Vietnamese 6 Aug 85 pp 1, 4

[Address by Truong Chinh, chairman of SRV Council of State, during "recent" visit to Tri An hydroelectric power plant project]

[Text] Dear comrades in the state steering committee for the construction of Tri An hydroelectric project, dear comrades leaders of Dong Nai Province, dear comrade Soviet experts, and dear comrades, in my visit today to the Tri An hydroelectric project construction site, I am happy to convey to you, comrades, and through you, to all the cadres, workers, and soldiers at the project site and to all the comrade Soviet experts the best regards and warm greetings of the CPV Central Committee, the Council of State, and the Council of Ministers of the SRV.

Dear comrades,

The construction of this project is of great importance.

This is the first major project of socialism in the south that serves the task of developing the economy and improving the people's livelihood. This is a project symbolizing the fraternal friendship, militant solidarity, and comprehensive cooperation between the two parties and two peoples of Vietnam and the Soviet Union.

This is also the first major project built along the line of cooperation "between the state and the people and between the central and local governments." Continuing to develop their patriotic traditions of the time of the liberation war and their socialist collective mastery, the southern people have enthusiastically volunteered to contribute their manpower and wealth to the construction of this project.

I am very happy to learn that in the past few years since construction started (1983), you have striven to score many outstanding achievements in completing a large volume of work with high productivity and good quality. In particular, you have completed construction of a bridge across the Dong Nai River in 15 months, overfulfilling the plan norm. These achievements are due to the effort to overcome

difficulties, develop initiative, and improve the management and technical work of all the cadres and workers at the project site, who are encouraged by the sympathy and attentive care of the local people. These achievements are also the fruit of positive participation by all sectors at all levels. These achievements have given us firm confidence in the great potentials and integrated strength that we can develop vigorously in the future. We also owe these achievements partly to the contributions of the Soviet experts who have worked and are working self-denyingly and with noble internationalism, bringing to our people the warm friendship and wholehearted support of the Soviet party and people for the Vietnamese revolutionary cause.

On this occasion, I warmly appraise the achievements of all the cadres, workers, and soldiers at the project site and of all sectors at all levels and all units involved in the construction and defense of the project. I warmly appraise the patriotic and revolutionary spirit and effective contributions of all compatriots at home and abroad as well. I also would like to convey the sincere gratitude of the CPV and the Vietnamese people and state to the PCSU, the fraternal Soviet people, and all the Soviet experts who are working at the project site.

Dear comrades, we have surmounted the initial stage full of difficulties nad have scored encouraging successes. However, we still have a large volume of work ahead. The construction of vital components of the project requires high organizational and technical knowledge. New difficulties and new ordeals are ahead of us. However, we have many favorable conditions. In the past few years, you have learned many valuable lessons of experience in building a complicated major project. Your knowledge of labor organization, science, technology, and economic management has been raised a step higher. You can always have the cooperation of all sectors at all levels and the encouragement, motivation, stimulation, and practical assistance of all compatriots. Always siding with you are the Soviet experts, whose knowledge is high and experience rich. They have more than once participated in building major hydroelectric projects.

Particularly, the eighth plenum resolution, which the party Central Committee recently issued to eliminate red tape and subsidies and to shift completely to socialist accounting and business, is of great importance. You should study it carefully to understand thoroughly its spirit and scope and to apply it to the real situation at the project site. The new policies on prices, wages, and money based on socialist economic accounting and business transactions will create favorable conditions for developing the economy and accelerating the construction of the project to attain the goals that you have set forth: A quick rate of construction, good quality, high productivity, and low construction costs.

You should adequately develop these favorable conditions, learn from the Soviet experts modestly, be creative and active in mastering technology, and strive to take over the important parts of the project.

To ensure the implementation of the set plan for bringing the first generator group into operation by the end of 1987 and for completing the whole project by the end of 1989, you should immediately concentrate on satisfactorily fulfilling the following tasks:

--Enhance the sense of responsibility and discipline; fully develop the collective mastery of cadres and workers at the project site; mobilize all people to compete enthusiastically in socialist labor; develop initiative; rationalize production; improve technical service; strenuously overcome difficulties to accelerate the construction rate; ensure the quality of the project; promptly motivate and reward outstanding collectives and individuals working with high productivity, good quality, and initiative; improve managerial and technical work; bring about realistic results; and resolutely oppose negative phenomena, which adversely affect the rate of construction and the quality of the project and which dampen enthusiasm at the project site.

--Control and balance the work force, organize labor well, keep close economic accounts, use the existing equipment to full capacity, secure the assistance of all sectors and localities on the basis of economic cooperation, and effectively use the people's contributions. Those sectors and units directly involved in the construction should uphold their spirit of socialist cooperation; positively mobilize equipment, machinery, and skilled workers; and combine all forces in the most effective manner.

--Take adequate care of the material and moral lives of cadres and workers, ensure the legitimate interests of the laboring people, and make sure that all people at the project site have adequate physical strength for active labor.

You should ensure that the Soviet experts have good and favorable working conditions so that they can share their abilities and experiences with us and help us build the project well.

--Organize well the defense of the project and pay proper attention to labor safety. Command and managerial cadres must watch the work at the project closely, always be present, firmly grasp the situation of work in all fields to increase operational effectiveness, and deal promptly with the various circumstances as deemed necessary.

--Be extremely thrifty in production to reduce construction costs. It was previously thought that the question of thrift can be raised only in factories, while waste is acceptable at a project site with a large number of corvee laborers who are constantly on the move so that the project is subject to frequent changes in terms of its work force.

In shifting to the socialist economic accounting and business system, such a viewpoint is completely rejected. Under the new management system, the requirement of thrift will appear an inevitable, objective factor. Well aware of this requirement, you should reconsider your staff and work force; eliminate intermediary jobs and excess personnel and work; re-examine the various norms to economize as much as possible on material, fuel, raw materials, and manpower; and undertake regular cooperation to use manpower and material assets rationally to bring about great and practical results for a project site that uses a large number of workers, quantities of equipment, and materials, and a great amount of fuel and energy. In doing your work, you have simultaneously contributed to shaping up and gradually perfecting the new management system in capital constitution and in the building of large, complex projects in our country.

The Tri An Hydroelectric Power Plant is a targeted project of the state, which is located in the D war zone of Eastern Nam Bo, a famous area during the two resistance struggles of our people against France and the United States. The enemy had made a survey but could not carry out the project. Now, we have begun the project and we will certainly do it well. This is a major project creating conditions for promoting the development of production forces, bringing about the light of socialism for the people, and opening bright prospects for other major installations to be built on a continuing basis over the next few years on the path taken by the entire country to advance to socialism. As a result, the construction of Tri An hydroelectric project is of great political and economic importance not only to the region but also to the entire country. All sectors, levels, and localities should fully realize this importance; actively provide assistance; seek all means to ensure the supply of materials, equipment, capital, and manpower to the project; promptly help it resolve difficulties; and satisfactorily implement on a priority basis the state policy concerning key construction sites. Because of a lack of coordination, many projects built in our country over the past years have yielded very poor results, causing considerable waste of the people's and the state's efforts. From these experiences, we can draw the following conclusion: In parallel with the building of this project, we should formulate plans to coordinate urgently the construction of power stations, power lines, and power grids and to improve Ho Chi Minh City's power grid, preparing to receive and use the power generated by the Tri An power plant effectively.

At the same time, within the framework of the determination of our country's strategy for economic development from now until the end of the century, we should examine the entire power generating and supply system of the whole country and of the south in particular to work out plans to prepare actively to build subsequent projects as our conditions and capabilities permit to satisfy the growing demands of the national economy and society.

Dear comrades,

Energy is one of the foremost economic sectors. V. I. Lenin once said: Communism is the soviet administration plus nationwide electrification. Because country is still in the initial stage of the period of transition to socialism, it must accumulate some things for the purpose of industrialization. Moreover, according to international standards, our country is classified as one without electricity (a country is said to have electricity only when it achieves an average of 100 kWh or more per capita; at present our country has attained only over 80 kWh per capita). As a consequence, the energy problem has become all the more important and pressing for our country. For this reason, as the cadres and workers participating in the building of this hydroelectric power project, you have a very great honor and very weighty responsibility. I am convinced that, with your spirit of socialist collective mastery, your vigorous revolutionary will, and your ardent love of the country and socialism, you will surely develop strong points; overcome shortcomings; continue to record many greater achievements in the future; fulfill your glorious tasks; strive to build the project with high productivity, quality, and efficiency; and overfulfill the plan, thereby contributing to carrying out in an outstanding manner the teaching of venerated and beloved Uncle Ho: "Once the U.S. aggressors have been defeated, we will rebuild our country to make it 10 times more beautiful than it is today."

With this belief, I affectionately wish all the cadres, workers, and combatants at this construction site as well as the comrade Soviet specialists good health, happiness, and success.

Thank you, comrades.

PARTY ACTIVITIES AND GOVERNMENT

OIL EXPLORATION UNITS RECEIVE LABOR ORDER

BK170943 Hanoi Domestic Service in Vietnamese 2300 GMT 16 Sep 85

[Text] On the occasion of our 2 September National Day, the SRV Council of State conferred the Labor Order First Class on two outstanding units for their achievements in oil and natural gas exploration, namely, the Vietnamese-Soviet Oil and Natural Gas Joint Enterprise and the Vung Tau Tourist, Oil, and Natural Gas Corporation. Do Muoi, member of the CPV Central Committee Political Bureau and vice chairman of the Council of Ministers attended the function and, on behalf of the party and state, pinned the Labor Order First Class on the banner of the Vietnamese-Soviet Oil and Natural Gas Joint Enterprise. Also present at the function were Soviet Ambassador to Vietnam Chaplin and the Soviet Consul General in Vung Tau-Con Dao, (Bakalo).

Since its establishment 4 years ago, the Vietnamese-Soviet Oil and Natural Gas Joint Enterprise has carried out many coastal and offshore projects with promptness and superior results. Its contingent of cadres, workers, and technicians have quickly reached maturity in handling their work. The enterprise has successfully completed zywmus oil wells, especially the assembly of oil rig No 1, thereby opening up the exploitation stage at the southern continental shelf.

The Vung Tau Tourist, Oil, and Natural Gas Corporation is the first unit in Vung Tau to organize a system serving the exploration and exploitation of oil and natural gas. Since its establishment 8 years ago, the corporation has developed the spirit of revolutionary initiative while working and studying. Its contingent of cadres and personnel have improved quantitatively and qualitatively. The corporation is now managing 19 hotels, 26 villas, and a headquarters comprising a nursery, a hospital, a movie screening area, a tennis court, and shophouses. The corporation has also carried out tasks serving domestic tourism and export.

PARTY ACTIVITIES AND GOVERNMENT

BRIEFS

NGHE TINH UPRISING ANNIVERSARY—On the morning of 12 September, the party, people's, and VFF committees of Nghe Tinh Province held a solemn meeting to mark the 55th anniversary of the Nghe Tinh Soviet uprisings. Making a speech, Nguyen Ky Cam, secretary of the Nghe Tinh Provincial Party Committee, recalled the glorious traditions of the local party organization, people, and armed forces. In the two wars of resistance against the French and U.S. aggressors, as well as in the fight to protect the northern border, the party organization and people of Nghe Tinh have spared no sacrifices of blood and material wealth to help the entire country drive out the invaders and regain national independence. Implementing the resolution of the eighth party Central Committee plenum, Nghe Tinh is gradually abolishing the bureaucratic and state—subsidy management system and switching to socialist accounting and business transactions. [Summary] [Hanoi Domestic Service in Vietnamese 1430 GMT 12 Sep 85]

ECONOMIC PLANNING, TRADE AND FINANCE

HAIPHONG PAY SUPPLEMENTS PROCEEDING ON TARGET

Hanoi NHAN DAN in Vietnamese 1 Jul 85 pp 1, 4

[Article by Minh Son: "Haiphong Provides Pay Supplements in Accordance with the Spirit of Resolution 8"]

[Text] As has been revealed in NHAN DAN, Haiphong will implement the pay supplement system and eliminate all stamps and coupons starting today, 1 July. Yesterday, the standing committee of the city people's committee met to review the situation in preparation for every eventuality and for the guidance work. In the past days, the city prices-salary-money guidance committee has been working on an urgent basis and preparing well for the implementation of the pay supplement system. In the last few weeks, the city's economic machinery has concentrated all efforts on controlling merchandise and money supply as well as on market management and gradually transfering the whole economy of the city into the system of socialist accounting and business in accordance with the Resolution of the Eighth Plenum of the VCP Central Committee (Fifth Session). The provision of pay supplements has been prepared by Haiphong since the first few months of 1985 and a few exploratory moves have been attempted, such as the provision of pay supplements to cadres, workers and office workers in the suburbs on the occasion of Tet (At Suu) and of the 30th anniversary of the liberation of Haiphong.

The city prices-salary-money guidance committee was making plans to implement the pay supplement system when the Resolution of the Eighth Plenum of the VCP Central Committee (Fifth Session) came out. The Haiphong People's Committee standing committee managed to provide guidance in time regarding readjustments and additions to the city's pay supplement plans so as to conform to the spirit of Resolution 8.

In the last few days, no matter where we have been in Haiphong there is enthusiasm and excitement among the cadres, workers and office workers, especially among the laboring masses, as they welcomed the center's Resolution 8 and the new city policy of paying price supplements to salaries while eliminating stamps and coupons in preparation for stepping into a new era of implementing new management mechanisms with socialist accounting and business practices on the basis of planning. The cereal and food stores were filled with customers. Many selling stations opened up or increased their shifts, working feverishly to exchange against proper money the nine commodities to be supplied

to the cadres, workers and office workers that were owed them since 1984 up till June 1985.

Nowadays, on the rice fields in the suburbs every day one can see tens of thousands of hands working enthusiastically to reap the fifth month crop and to prepare for the main crop. This fifth month crop in Haiphong reaches an average productivity of 32 to 33 ta per hectare. Because of the rational procurement price decided by the city and because of the honest dealings between buyers and sellers based on agreements between the state and the farmers in accordance with Resolution 8 the farmers are eager to sell to the state. the last 10 days alone, the suburban farmers have sold to the state more than 4,000 tons of paddy. Thuy Nguyen District, which emerges as a new factor, has sold to the state 2,200 tons of paddy. The price of 1 kg rice in the markets of Haiphong has gone down by 2 to 3 dong. In a number of suburban districts it has come down even more dramatically. The price of foodstuffs has also started to fall, especially the price of pork which has since stabilized and even shows a tendency to fall. The city prices-salary-money guidance committee under the leadership of Comrade Doan Duy Thanh, a VCP Central Committee member and secretary of the Haiphong City People's Committee, held a final meeting before 1 July in order to check all the links in preparation for the institution of pay supplements. The comrades in charge of finance, banking, trade and tourism, foreign trade, etc. reported on the situation of their sectors. According to the readings by the city guidance committee, every aspect concerning the monetary and commodity flow was in place and the pay supplement system could be implemented starting 1 July. At this meeting, Comrade Tran Hanh, vice chairman of the city people's committee, reported that the number of cadres, workers and office workers statistically determined to be eligible for pay supplements had been originally given as 258,000 persons but now that the basic units had all reported their numbers for participating in the pay supplement system starting in July the number came only to 223,890 persons. Thus, initial results already helped to uncover "ghost" numbers reported in the state rolls in the city of as many as 34,111 persons in the last several decades, which translates into a relatively large number of commodities supplied through the stamp and coupon system and pilfered from the state. Not counting the salaries, housing and other expenditures that supposedly had gone to these people, if one counts only the extra commodities that the city has provided to these "ghost" personnel on the occasion of Tets and big anniversaries one would come to several hundred million dong a year. In the near future, the city will continue to control and recalculate these figures, check more closely the various organs and units which had submitted inflated personnel rolls, and have strict measures in dealing with them.

As the city was preparing to implement the pay supplement system, some people worried that the city would not have enough money or commodities. But by now, thanks to the enormous efforts of the various sectors and echelons in the city, the money and commodities have been fully prepared. One of the important tasks that the city set for itself was to strengthen its socialist trade in order to control commodity and money supplies, to enlarge procurement sources, to actively regulate the various sources of commodities and take care of the commodities available in stock. The city people have launched a movement for putting money in savings accounts. Because of the reasonable rate of interest,

by the end of June the city people have put into credit funds some 100 million dong. One big operation consisted of the fact that right in the first few days of July the city had to turn over the money quickly to nearly 400 points, some of which are entitled to 7 million dong a day. Comrade Do Que Luong, director of the city bank, said that the bank had to open up tens of money distribution points. All these points have to work continuously on three shifts. Enough personnel has been set up in various places to check on the money and distribute it. And cash operations between various localities and units are performed every hour and every day.

Comrade Nguyen Dinh Tao, director of the cereals office, said: The cereals sector has urgently sold the entire amounts due to the cadres, workers and office workers up until June 1985 and it has enough reserves to sell during the whole month of July. Hundreds of tons of pork were put into the market at the beginning of July. Basing itself on the market situation and on its own capabilities as far as commodities are concerned, the city decided to reduce the prices of 54 consumer goods and to put many of these goods on sale. On the other hand, the artificially low prices of several other commodities, which clearly showed the hand of interferism, had also been readjusted.

Several ministries, committees and sectors at the center, such as those dealing with cereals, banking, labor, and finance, have sent down many groups of cadres to Haiphong to help it overcome the difficulties of implementing the pay supplement system, thus showing a highly motivated spirit of responsibility in helping the localities in accordance with the spirit of Resolution 8.

Many difficulties still remain but under the light of the Resolution of the Eight Plenum of the VCP Central Committee, the party organization and the people of Haiphong are confident and determined to implement well the pay supplement system, one of the very first steps in preparation for transferring altogether to the new management mechanism of socialist accounting and business practices.

1751

ECONOMIC PLANNING, TRADE, AND FINANCE

VO VAN KIET ADDRESS ON TRANSFORMATION IN SOUTH

BK190636 Hanoi NHAN DAN in Vietnamese 15 Aug 85 pp 2, 4

[Address by Vo Van Kiet, member of CPV Central Committee Political Bureau and vice chairman of SRV Council of Ministers, at conference to review transformation of southern private industry and trade on 31 July; place not given--passages between slantlines published in boldface]

[Text] The great success of our conference lies in the high identity of views displayed in assessing the results of transformation work in the past and in defining the tasks that must be carried out in the coming months. It is very encouraging that high identity of views has been achieved on the basis of further understanding the spirit and letter of the Party Central Committee's eighth plenum resolution in considering the acceleration of the transformation of private industry and trade as a very important measure for implementing the eighth plenum resolution.

/Results of Past Work--A Big Step Forward/

The transformation of private industry and trade was stepped up in mid-1984. Since then, in the southern provinces and municipalities in particular, we have held many conferences to di'cuss measures aimed at scrupulously implementing the various directives and resolutions of the Party Central Committee and the Council of Ministers. Early in February 1985, a conference was held to review the first phase. Our conference this time reviews what has been done, especially since February 1985; and at the same time, defines the tasks and measures aimed at continuing the stepped-up process of transformation so that this work will be basically completed by the end of 1985.

It must be asserted that since then, almost all the provinces and municipalities in the south have shown improvements in all three aspects—construction, transformation, and market management—and they have achieved results that meet the requirements set forth at the early February 1985 conference.

The various sectors and localities have simultaneously carried out socialist transformation at a time when the economy is faced with many difficulties—namely the imbalance and lack of compatability between production and the supply of technical materials, between the need to collect and purchase goods and the capability of meeting the demand for cash, between the need to increase trade and the slowness in establishing a suitable trading system, between the need to accelerate transformation and the limitations concerning the organizational system and the ability of cadres and the belated promulgation of suitable viewpoints and policies, and so forth.

In the past, the new spirit of the various directives and resolutions issued by the party and state, the spirit of urgency and thoroughness, and the serious consequences resulting from a long period of slackened transformation have compelled the southern localities to accelerate transformation by taking positive steps and enforcing fairly diverse measures.

The results achieved show a big step forward and a commendable effort.

/In transforming the production relations while reorganizing industrial, small industry, and handicraft production according to economic and technical branches,/ the various sectors and localities have jointly made studies and drawn up projects, going from important and essential branches in key areas, and applied suitable forms of transformation.

/Socialist trade/ has developed in a relatively comprehensive manner in both urban and rural areas, bringing about considerable changes involving network, material-technical bases, cadres and business methods of domestic trade, foreign trade, and grain sectors. To date, in the entire south, socialist trade has controlled 90 percent of the volume of grain and a large part of marketable products such as pork, fish, vegetables, sugar, and some other agricultural products. The state has controlled a large part of the volume of industrial goods produced by the state-run sector and more than 60 percent of the goods produced by the small industry and handicrafts sector (through both labor contracts and collection and purchase).

With its control over the sources of goods, socialist trade has generally claimed more than 60 percent of the retail volume and about 60 percent of the wholesale volume on the social market. These figures are for the entire region; they are much higher in certain villages, townships, districts, cities, and sectors.

On the front of /socialist transformation of private trade,/ forms of transformation having good impact have been defined and broadly applied in all localities. They include such forms as joint business, retail sales agents, commodity cells, technical labor contracts, and so forth. These are transitional economic forms that guarantee the

interests of the state and private individuals as well as the consumers. Correct selection of the forms of transformation has helped ensure stable progress, avoid disrupting the marketplace, and especially, attract the capital and professional expertise of private traders.

In rearranging the marketplace as part of the transformation process, many provinces and municipalities have actively created conditions for shifting a number of households engaging in trade to agricultural production, small industry, handicrafts, and service sectors; and, at the same time, they have resolutely closed down the business of some households that seriously violated the business code.

Marked progress has also been achieved in /market management/. The forces charged with market management have made their timely presence to discover and deal with violations of the rules on business registration, price control, and so forth, thereby bringing market activities under ever tighter state control. Trading activities on the organized market have been arranged with a more rational division of labor. Efforts to curb speculation, smuggling, and unlawful business activities have been made with a positive spirit and a sense of urgency; and they have produced good results along with the struggle against negativism within the socialist economy and the struggle against sabotage by the enemy.

Generally speaking, although the results achieved are uneven among the various localities and sectors, it is obvious that /a new development has been taking place on the southern market/: Socialist industry and trade have grown markedly bigger and stronger, and the nonsocialist components are being transformed step by step. This contributes to the rearrangement and adjustment of market activities and reflects the combined strength of the socialist market. A special point worthy of note is that in all localities, there have emerged /numerous models employing the new business procedures for controlling the sources of goods, money, the market, and prices./ This fact is of great significance because it helps confirm the major viewpoints and provides vivid realities that contribute to clarifying the measures concerning prices, wages, money, and the new mechanism of management outlined in the Party Central Committee's eighth plenum resolution.

We should not in the least disregard the weaknesses and shortcomings that arise in the course of work, but the results achieved reflect the great efforts made by the various localities. /The best lesson of experience/ that can be drawn here is that with a firm grasp of the party's viewpoints and with a high revolutionary spirit, /we must continue our work in a comprehensive and uniform manner,/ linking sectors with localities and one locality with another in order to set up a mutually supporting position. A spectacular success of a creative nature is that we have found transitional economic forms/ that have enough appeal to lead private trade onto the path of transformation, and that we have carried out transformation by using

organizational and managerial methods that have a real economic content. These forms have sprung up from realities, and they will be constantly supplemented and perfected by realities.

/The Task for the Period Ahead: Transformation Must Be Basically Completed by the End of 1985/

The resolution of the fifth party congress and other resolutions of the various Party Central Committee plenums have set forth the task of basically completing the socialist transformation of private industry and trade in 1985. The fixing of a deadline for the completion of transformation was not dictated by our subjective wishes, but by the objective demands of socialist construction and national defense. In fact, this task should have been fulfilled at an earlier date. We have neglected transformation for a long time. To the southern localities, this is really a major shortcoming. At present, realities of life urgently demand that transformation be strongly pushed forward and that a unified socialist market be gradually shaped up. If we can achieve one of the objectives of the revolution in production relations--that is, transforming the relations of the ownership of the means of production--we will create more favorable conditions for continuing to consolidate the new production relations in the coming years, especially under the 1986-90 5-year plan, thereby making it possible to step up socialist industrialization in subsequent years.

Basically completing the transformation of private industry and trade will have a direct bearing and impact on the implementation of the resolution of the eighth Party Central Committee plenum. It can be said that /if the abolition of bureaucratic centralism and the statesubsidy system in prices and wages is the breakthrough needed to definitely switch to democratic centralism and the socialist economic accounting and business transaction system, then transformation is precisely one of the spearheads of this breakthrough./

The new positions and policies regarding prices, wages, and money will create extremely favorable conditions for stepping up transformation, controlling goods and money, and achieving mastery over the market and prices. By the same token, stepping up transformation and reorganizing the market are to create favorable conditions for controlling goods and money and achieving mastery over the market and prices. The importance of transformation is that it is both an urgent and key task essential for the implementation of the resolution of the eighth Party Central Committee plenum and that it also takes on a long-term significance. One of the worries of our cadres and people concerning the resolution of the eighth Party Central Committee plenum is whether market prices will be satisfactorily controlled. If market prices are allowed to continuously increase, the value of money will continue to decrease and the real income of wage earners will continue to drop. For this reason, actively and urgently controlling the market and prices also means to guarantee the real

wages and real income of wage earners and to ensure that the resolution of the eighth Party Central Committee plenum really has an impact on life.

Thus, to step up transformation even more urgently so as to basically complete it by the end of 1985, or the sooner the better, is precisely /a significant task/ that has become all the more pressing in the implementation of the resolution of the eighth Central Committee plenum.

Following are some key issues that various sectors and localities must firmly grasp:

/1. Concerning the Transformation and Reorganization of Industrial, Small Industry, and Handicraft Production/

Reality has clearly shown that to control goods and money, we must begin by controlling their source—that is, production. If we allow production to be scattered and fragmented, we can talk neither about afficiency in production development nor about placing goods under the control of the state. Even if production reaches a certain level of development, but if transformation is not carried out and not linked with production reorganization, goods will continue to slip out of the hands of the state, as they did several years ago and still do in some sectors at present.

Recently, we have made some progress in reorganizing production and linking it with the transformation of ownership relations, but mostly within the limits of each locality, while the reorganization of production according to different economic and technical sectors still remains largely unsatisfactory. Many important production sectors and groups have not yet stabilized their production work and are still unable to satisfactorily exploit their existing production capacity. Difficulties regarding energy and raw materials remain a major problem. However, it is noteworthy that a number of industries such as tobacco, liquors..., due to neglect of transformation, management, and organization, are continuing to develop in a spontaneous fashion in both production and circulation of goods.

In reorganization of production, each locality should develop in depth their traditional sectors and trades in which they have gained much experience so as to turn out large quantities of highly valuable products for domestic consumption and for export. In the past, these sectors, especially the handicraft and fine arts sectors, developed in a spontaneous fashion. Some traditional trades were expanded, but in a disorganized manner, while some others disappeared, abandoned by producers who turned to catering to ephemeral tastes and market demands, forcing skilled craftsmen to take up other professions to earn a living and unskilled workers to engage in business deals for profit, and so forth. All these phenomena have reduced the variety

and quality of goods and have made it difficult for the state to control commodities. Today, we are reorganizing production in connunction with transformation. Production is being reorganized in each area by bringing into full play the strengths of each locality so as to build key production sectors to satisfactorily meet the demands. Preservation of the variety of goods and development of traditional sectors and trades should be strongly encouraged, but they must be linked with the reorganization of production under the master plan of each province and city and of the entire region and must absolutely /ensure that the products of those sectors and trades are controlled by the state./

Therefore, the reorganization of production in conjunction with transformation is a task that must be actively and carefully carried out in each sector and trade. All production sectors must clearly realize their managerial responsibilities and the relations between production and disturbution-circulation and between production development and transformation of production relations. be more active and proceed more urgently in this task and must closely link transformation with reorganization of production, first of all in important sectors whose products should be immediately placed under the control of the state. The ministries concerned must appoint responsible representatives to take charge of this task in the southern provinces and should not neglect it as they did recently. The localities themselves should also concentrate their efforts on reorganizing various production sectors, first of all the sectors placed under their management -- of which the small industry and handicraft sectors constitute a very important force--so as to quickly increase the volumes of consumer goods for local consumption and for export.

/2. Controlling Goods and the Circulation of Goods/

Achieving mastery in the market means, first of all, to control goods so as to control the absolute majority of wholesale operations and dominate the bulk of retailing activities by the year's end. Controlling goods is the primary condition for controlling money and managing the market and prices. It is also a key condition for implementing the resolution of the eighth Party Central Committee plenum.

An extremely acute problem at present is that the state must control goods at all costs, even if certain sectors and localities have not yet completed the reorganization of their branches, professions, and trade activities, including by means of transitional forms of economic organizations... Through the implementation of various policies, the exercise of state power, and the activities of the mass revolutionary movements, the state must absolutely gain the control of commodities, technical supplies, and staple consumer goods.

However, controlling the sources of goods must go together with satisfactorily organizing the circulation of goods between different regions of the country. The situation now is very unsatisfactory in that although the supply of goods remains limited and is far from enough to meet demand, difficulties have arisen in the circulation of goods, from grain and food to many types of essential consumer goods. Some types of goods are left to rot in oen place while they are badly needed elsewhere.

Therefore, all sectors and localities must devote all-out efforts to improving circulation so as to rapidly bring goods to the consumers, especially goods from the south to the north. It is necessary to fully utilize all means of transportation and make full use of rivers, the sea, wind power, and the tides along with machinery, especially now that gasoline, oil, and coal are in very short supply. Formerly, the southern localities from east to west widely used sailboats and took advantage of the tides; but now, this mode of transportation has virtually ceased to exist, and only gasoline and diesel engines are used for one-way transportation. This is a serious waste that must not be taken lightly. It is necessary to find all means of transportation suitable for every region from north to south and for every type of goods to ensure that goods are rapidly circulated at minimum transportation costs.

/Concerning prices/

This is a major issue for the settlement of which major orientations and policies are set forth in the eighth plenum resolution.

In due course, we will have to concretize the eighth plenum resolution into specific prices—purchase prices for grain and other types of agricultural products, production costs and selling prices of industrial products, retail prices, and so forth. As far as domestic prices are concerned, there arises the issue concerning the rate of exchange between the Vietnamese currency and foreign currencies. This rate will be resolved appropriately so that localities having goods for export will not suffer losses. Naturally, we must overcome the tendency to purchase goods at any price or to offer high prices for export goods.

An important point I want to stress is that it is necessary to firmly uphold /price discipline/ by maintaining internal discipline and punishing speculators, smugglers, and other profiteers on the market. If the situation changes, leaders of sectors and localities must promptly study the matter and suggest ways to solve it. The price sector must work with a high degree of dynamism and deal promptly and appropriately with any irrational movement of prices. Recently, lateness in dealing with the price of only one type of goods has resulted in the state losing billions of dong. Such management methods and guidance conduct truly deserve severe criticisms.

4. /Concerning money/

Control over goods will help regulate prices and control money; and this has been proven by examples. Stepping up transformation and rearranging the market is meant to create conditions for controlling the flow of money outside the market and beyond state control.

The bank formerly had a shortcoming in that it did not engage in business, and this fact is criticized in the eighth plenum resolution. Nevertheless, it is enough to say that the various sectors and localities have caused not only a few difficulties for the bank: At present, expenses are too large, the discipline concerning cash deposits is not strictly observed, and so on.

We welcome the plans formulated by the comrades of the banking sector to vigorously shift to business in the spirit of the eighth plenum resolution. Realities have clearly indicated that if the banking sector (as well as the financial and price sectors) does not change, this will be a big obstacle to the implementation of the eighth plenum resolution. The banking sector must vigorously shift its operations to socialist economic accounting and business. It should proceed to improve its organization and set up specialized branches (trade, industrial investment, agricultural, and other banks). An important point worthy of attention is that the bank must promptly meet the demand for capital required in production and business with the new prices. As an immediate step, it must prepare sufficient money for the collection and purchase of summer-fall paddy and for the purchase of paddy and other agricultural products in the 10th-mohth crop season.

5. /Market Structure and Reorganization of the Market/

Transforming and rearranging the market is aimed at reorganizing the market and gradually building a unified socialist market.

At present, operating on the market are the state-run, marketing cooperatives, joint businesses, retail agents, commodity cells, and small retail components. It should be noted that these economic components cannot hold equal positions; and therefore, it is impossible to tolerate the parallel development of the socialist trade system and private trade. The development of the socialist trade system should at least correspond with the decrease of private trade. State-run trade must necessarily grow big and strong rapidly in all respects. Joint trade between the state and private individuals must be subjected to close management as far as its activities are concerned; and it must gradually improve its socialist character. Each locality and each commodity sector must study a rational structure for itself so as to apply suitable transitional forms; and it is not necessary for every commodity sector to have all of the above components. What I want to stress is that wholesale transactions between localities must necessarily be conducted directly between state-run trade

organizations and not through private traders. Recently, a number of localities have employed private traders to buy goods in Ho Chi Minh City, and some localities and sectors have unwarrantedly made purchases and sales without going through the local management channels, thus making it difficult to control the market. This situation must be put to an end.

I want to talk a little more about the transformation of small traders. A large part of them are working people. Formerly, they participated in the struggle against the United States and its henchmen in the south. At present, not a few of them belong to families whose members are members of the Armed Forces, workers, and state employees. necessary to distinguish those who have just taken up trading from those who have developed a certain level of professional expertise. We must choose to employ them in various suitable forms: They may be recruited for work with state-run trade or cooperative trade; or they may serve as agents or commodity cell members. The remainder of them shall be gradually transferred to the various production branches. We should not train our young students only to become traders. At present as well as in the coming period, a number of peasants and handicraftsmen are still offering some products such as small consumer goods, agricultural by-products, and so forth which they produce with their own resources for private distribution. Thus, it is inevitable that a number of small traders should remain to enrich the market and satisfactorily meet the diverse demands of the consumers, but their number is insignificant.

Mass organizations must actively participate in the distribution and circulation of goods by supervising the purchases and sales of trade units or by offering their services to the trade sector as salesagents or marketing cooperatives.

The reorganization of the market structure must be closely linked with the struggle against speculation, smuggling, and the manufacturing of counterfeit goods. It is necessary to tighten management, first of all within state organs, to check all attempts to abet or protect speculators, smugglers, and counterfeiters. It is necessary to prevent a number of localities and economic and social organizations from making purchases and sales freely and from using private individuals in smuggling activities for the purpose of raising their own funds. The responsible organs must work out plans to positively struggle against smugglers, speculators, and counterfeiters, first of all in key areas. It is necessary to resolutely smash their operations and duly punish them. Satisfactorily carrying out this task is meant to contribute to resolving negative phenomena in social life and to effectively support the implementation of the eighth plenum resolution.

Above, I have dealt with the social market structure at present, the initial stage of the period of transition to socialism. However, the superiority of the socialist market over the capitalist market should

not be reflected simply in the percentage of goods controlled by the former, although this percentage is very important because it demonstrates the power to control goods in society. The most important thing is that /the socialist state must take the initiative to reorganize the market to make it really an organized socialist market/. The state must rearrange, reorganize the buying and selling of goods to best serve production and consumers. Even when goods are not abundant and when the percentage of goods under its control is still low, the state still can reorganize the market. Moreover, when buyers can control their income and expenses, they impose new demands on the trade sector, which must make an effort to ensure that its service is convenient, civilized, and courteous.

At present, our market shows both the character of a scattered, fragmented small-scale production system and neglect of the task of managing and reorganizing the market which has allowed an excessive increase in the number of traders. Some localities have let the socialist trade sector and the small traders sector develop in parallel: While the socialist trade has expanded fairly fast, the number of small traders has also gone up. It can be very easily seen that trading activities are going on in all streets and that even private homes have doubled as trading places. Buying and selling now takes place in small lanes and alleys, on the sidewalks, and has even spilled over onto the pavements. Trading and food catering services have also been organized in places destined for cultural and recreational activities. Some sectors with no trading functions have engaged in buying and selling activities to make a profit, considering this a source of revenue for "improving the conditions of living." This state of affairs reflects a lack of organization in the state organs themselves and shows the existence of uncivilized practices while causing difficulties for the task of controlling the market and

We must urgently reorganize the market and do away with its disorganized character as soon as possible. Each precinct and subward should replan and clearly determine their trading places. Traders must be concentrated in separate zones or in trading and service clusters associated with population centers, workers and state employees quarters, or places where there are large numbers of visitors. Concerning people entitled to preferential treatment according to state policies, such as retired cadres and workers and families of war invalids and fallen heroes, each precinct and subward should adopt measures to give them practical assistance so as to improve their standard of living. First of all, they must participate in productive activities to create more wealth for society. If conditions exist for them to engage in trade, they should be organized and not be allowed to do business just anywhere. Peasants who take products of their family economic efforts to the cities for sale should also be concentrated in separate areas so that they may provide more goods for consumers.

To reorganize the market in this way, it is natural that we must plan places and establishments destined for trading activities. We can transform old establishments for this purpose or build a number of new trade and service clusters, as some localities have done. In these clusters, traders must be organized and arranged according to the kinds of goods they sell, thereby ensuring convenient, civilized, courteous, and sanitary service for consumers while facilitating managerial work. Realities in many localities have shown that this can be done. Concerning capital, we can use state—supplied funds while motivating traders and consumers to contribute their own money, as suggested by the experiences of many localities.

The trend in civilized goods selling service is to make shopping as convenient as possible for consumers, sparing them the trouble of having to make long trips while enabling them to buy ordinary goods for daily use in a relaxed atmosphere. The shops selling commonly used items should be close to population centers. The service radius of each store and the number of people a store and its attendants must serve should be taken into account. In addition, home delivery service should be initiated. Any measures that are not beyond our capability—and I believe that certainly only a few of them are—can be applied gradually.

In our region, there also is the relationship between Ho Chi Minh City and various provinces. At present, a very important task of the socialist trade sector is to take the place of private traders in taking agricultural products from the provinces to the city and industrial products from the city to the rural areas and provinces. The socialist trade sector should begin by coordinating very closely with the local administrations so as to "administer management at both ends." Those sectors and localities currently carrying out trade activities in Ho Chi Minh City should work in close coordination with the city to contribute to the task of controlling the market and prices.

The transformation of private industry and trade in the southern province is entering a stage that gives it a new significance in many respects. First of all, this task is aimed at implementing the eighth plenum resolution and helping abolish bureaucratic centralism and the state-subsidy system, definitely switching to the socialist economic accounting and business transaction system, and creating a new managerial mechanism in our country. It will have a very profound impact on the political, economic, social, security, and national defense domains. The more we are enthusiastic about and confident in the eighth plenum resolution, the greater effort we must make to ensure the success of transformation work, thereby contributing to implementing the eighth plenum resolution.

The final thing I would like to stress in the /organization and guidance of implementation/ of the transformation task is the need for extremely close coordination between the various sectors on the one side (the sectors in charge of production management as well as those responsible for distribution and circulation, especially the financial, banking, pricing, trade, food, and other sectors...) and the localities on the other side, among the localities themselves, and especially between Ho Chi Minh City and other localities. Closely coordinating with and joining one another in promptly resolving difficulties, regularly exchanging experience.... This will create an aggregate strength for the achievement of success.

ECONOMIC PLANNING, TRADE, AND FINANCE

NHAN DAN ON STRENGTHENING SOCIALIST TRADE

BK191426 Hanoi Domestic Service in Vietnamese 2300 GMT 17 Sep 85

[18 September NHAN DAN editorial: "Quickly Rectify, Renovate, and Strengthen Socialist Trade Activities"]

[Text] The gist of the resolution of the fifth Party Central Committee's eighth plenum consists of discarding centralism, bureaucracy, and subsidization; and shifting completely to socialist economic accounting and business on the basis of carrying out planning. This is a radical shift in our party policies and lines not only in terms of economic management, prices, wages, and money but also in terms of trade.

Implementing the resolution of the party central committee's eighth plenum is a comprehensive and uniform process of struggle with steady but urgent steps. The socialist trade sector has a very important duty of contributing to creating a firm basis for the satisfactory implementation of party and state policies on prices, wages, and money.

The trade sector has shown initial efforts in applying the system of making wage payments totally in cash and in making preparations for shifting to a new economic management system. The implementation of the policies on prices, wages, and money in a bid to truly embark on a new management system requires that the socialist trade sector quickly rectify, renovate, and strengthen all activities in order to contribute to stabilizing the market, and prices.

During the early days of the recent money withdrawal and exchange drive, in certain localities, the socialist trade sector, instead of surging forward to work vigorously so as to seize control over the market, appeared to be confused as it left the market grounds open for private traders to take over and worked perfunctorily without preventing the market and prices from becoming chaotic.

The people wonder whether we can keep prices stabilized following the enforcement of the policies on prices, wages, and money and can maintain real wages. This is a problem that the socialist trade sector has the duty to pay attention to solving in the most appropriate way.

Only by quickly rectifying, renovating, and strengthening socialist trade activities can we contribute greatly to stabilizing the market and prices and ensuring the laboring people's real wages.

Only by relying on the principle of closely monitoring production in order to serve and boost production can the socialist trade sector create conditions for securing the source of goods and broadening its business operations. In purchase activities, it is necessary to achieve close cooperation with various sectors concerned in order to prepare sufficient cash and means of transportation, and to broaden the assigned purchase areas of marketing cooperatives. This is to make it possible for them to buy up all products, including farm produce and those family handicraft articles which the people want to sell them.

In addition to essential products, the socialist trade sector must broaden its dealing in other secondary products and must arrange processing activities satisfactorily in order to promptly meet the diversified needs of the people's lives.

It is necessary to organize the circulation of goods in the most rational and shortest way while minimizing intermediary links in order to promptly bring goods from the places of manufacture to the places of consumption and to cut down on transportation expenses.

Wholesale trade organizations, especially those corporations at the central level, must be quickly strengthened so they can regularize the flow of goods satisfactorily on a national scale and in large areas.

Retail work is the final link of the process of bringing goods from the places where they are manufactured to the hands of consumers. This is to serve production and the people's lives and is a contribution to securing the sources of money and then the sources of goods, stepping up the transformation of private trade, stabilizing prices, and exercising control over the market. In general, retail work has, however, been the weakest link of the socialist trade sector. We cannot provide good services if we are unable to do our business skillfully [words indistinct]. While carrying out policies on prices, wages, and money in accordance with the spirit of the resolution of the Party Central Committee's eighth plenum at a time when the entire economic sector and the entire society is switching to a new economic management system, it is all the more necessary for the socialist trade sector to switch quickly to socialist economic accounting and business and to strengthen and expand its retail network.

The socialist trade sector must be dynamic and creative, closely monitor the people's lives, balk at no difficulties, refuse to run after profits at the expense of the people's welfare, surge forward to exercise control over the market, and do its business in a truly civilized and courteous fashion.

Stepping up retail work is aimed not only at meeting consumption demands but also at quickly recovering the money invested to continue purchase activities, thus speeding up the circulation of capital and helping expand business services.

As an immediate task, it is necessary to consolidate various existing state—run trade organizations and marketing cooperatives, expand the retail network in city wards and villages, and shape up a retail network in various cities, precincts, districts, wards, and villages, which must be arranged rationally and conveniently for consumers. This network must be solid organizationally and must be operated dynamically in such a way as to suit the situation in each particular locality and at each given time. Efforts must be made to improve the modernity of the trade sector and oppose those negative phenomena already found in a number of trade cadres and personnel following the abolition of subsidized food stamps such as raising commodity prices at will, dishonestly replacing goods of high quality with inferior goods in order to profit from the difference in price, and weighing of goods dishonestly to the disadvantage of consumers.

The socialist trade sector's public food catering and support service network must be further expanded. Greater attention must be paid to popular food catering services while trying to reduce luxury services catering to lavish parties, and to develop services in tailoring and in the repair of bicycles, motorcycles, electric appliances, household articles, and so forth.

It is necessary to expand socialist trade operations, renovate purchase and sale procedures, and build a contingent of honest and diligent cadres and personnel with good skills in trade in order to contribute to stabilizing prices, maintaining market control, and stabilizing the people's lives, and to create conditions for implementing satisfactorily the policies on prices, wages, and money in accordance with the spirit of the resolution of the Party Central Committee's eighth plenum.

ECONOMIC PLANNING, TRADE, AND FINANCE

SRV ARMY PAPER EDITORIAL ON ECONOMIC BUILDING

BK180714 Hanoi Domestic Service in Vietnamese 2330 GMT 15 Sep 85

["Excerpts" from "recent" QUAN DOI NHAN DAN editorial: "Use Satisfactorily the Work Forces of Economic Building Units"]

[Text] Aside from their primary task of remaining combat ready and fighting to firmly defend the fatherland, the armed forces must take an active part in economic construction in order to increase the material-technical bases of socialism.

In the recent past, many units have taken satisfactory steps in economic construction, thus bringing about realistic results for the country. These units are: the "C" bridge and road building group; the 77th and 897th enterprises of the "M" materials manufacturing group; the H-60 group of the 3d Military Region in charge of reclaiming land from the sea; and the F-22 group of the 9th Military Region in charge of water conservancy.

A prominent feature of these units is that while carrying out business and production activities, they have given specific attention to labor management, ranging from planning, the establishment of norms to the strict enforcement of discipline. That is why they have always exceeded annual planned norms and operated profitably.

At present, the tasks and organizational structure of almost all economic building units remain undefined. Therefore, command and management cadres must uphold their sense of responsibility in labor management. When planning manpower, we should not develop only one plan. Instead, we should make some contingency plans so we can remain in the control under all circumstances while trying to avoid squandering manpower and materials. We should compute each man-day accurately in order to exploit to the fullest the existing source of manpower of our units. A good working plan should be based on a rational labor norm and should serve as a basis for scientific, meticulous handling of manpower and as a solid requirement for implementing the labor duties of each person. Satisfactorily carrying out the task of establishing labor norms will also create favorable conditions for carrying out economic and accounting and applying the policies on wages and bonuses in accordance with the "each according to his work" principle.

Facts obtained over the years show that the majority of norms have been established in accordance with documented stipulations by the state and with each particular branch, trade, and work, although with some minor modifications to suit the specific situation in each local area. We have been able to fulfill an average of 70-75 percent of the state norms and there have been many kinds of work without norms or with norms that are lower than real capabilities.

This situation requires us to quickly establish various labor norms inaccordance with the policy of establishing norms for any type of work for which that can be done. It requires a great deal of labor and attention to detail to carry out this task, which should be linked with production and with efforts to readjust regularly and promptly all those norms that are no longer suitable.

In the present condition where manual labor is still prevalent while mechanized labor is limited, renovating the organization of manpower will be an effective step to attain or exceed work norms and to increase labor output.

More than a few units have been noted for their failure to firmly grasp their tasks and for their tendency to arrange and carry out work assignments hastily, without preparation or with very scant preparations and to wait for procedures, designs, material, and equipment. All these have caused great waste of manpower and have adversely affected the pace of implementation.

In addition, the bureaucratic and red tape method causes duplication of efforts and leads to the tendency to leave the hard part of the work for other people to do; this has put no small obstacle to the path of rational use of manpower.

In order to bring manpower into vigorous play, various units must pay great attention to resorting to economic incentives—that is, using material incentives as a means to make the working people pay greater attention to making full use of their working time. The Ministry of National Defense has issued a number of stipulations governing the policy toward soldiers engaged in economic construction and toward national defense workers. Those systems instrumental in promoting increased production—such as paying salaries in accordance with the amount of work done, giving out contracts for products, and giving bonuses for increased output or for initiatives—now being applied by many units have greatly contributed to the fulfillment of projected plans. However, a number of localities have applied these systems incorrectly, and the results obtained have thus been limited.

As the economic building forces are comprised of officers, career soldiers, and draftee combatants, we must apply economic incentives in such a way as to suit each particular objective. As labor management

requires special knowledge, we must provide constant specialty training to cadres, combatants, and specialized personnel if the labor management of every unit is to be further improved in order to bring about ever-greater economic results.

ECONOMIC PLANNING, TRADE, AND FINANCE

NHAN DAN DISCUSSES CONTRACT SYSTEM IMPLEMENTATION

BK161418 Hanoi Domestic Service in Vietnamese 2300 GMT 12 Sep 85

[NHAN DAN 13 September editorial: "Implement the Fifth Party Central Committee's Eighth Plenum Resolution: Perfect the Product Contract System in Agriculture"]

[Text] Over the past 5 years, along with changes in a number of economic policies on the agricultural front, the system of giving end-product contracts to labor groups and laborers is acting as a driving force and creating a new vitality in the socioeconomic field in our country's rural areas. In different production regions, there have emerged new models in production and business and in cooperation, integration, and joint operation signed for satisfactorily exploiting the various sources of capabilities to meet the requirements of production development. In grain production in particular, many districts and regions have advanced along the line of specialized and intensive crop cultivation and increasing productivity; and they have recorded ever better economic results.

The new contract system, initially applied to rice production on a widespread basis, has been gradually extended to cover other crops, various types of livestock, and different handicraft branches in cooperatives and agricultural production collectives. The establishments that satisfactorily apply the system of end-product contracts for labor groups and laborers have generated dynamism and creativity among the masses. Thanks to this, every laborer and every family accepting contracts and every collectivized economic unit has been filled with a revolutionary spirit; and they have emulated in production and effectively overcome all the unexpected difficulties brought about by inclement weather and shortages of materials and technical supplies in order to ensure bumper crops.

The advantages of the new contract system are reflected in the following three aspects: First, the new contract system institutionalizes the working people's right to collective mastery and creates a driving force to boost the development of production. Members of cooperatives and production collectives make full use of land and labor, rationally

utilize the material bases directly supporting production, and rapidly apply technical innovations to production. As a result, grain and food output increase steadily, and the production system gradually shifts from monoculture to comprehensive business.

Second, the process of implementing the new contract system is one in which economic and agricultural establishments improve the mechanism of management and renovate the procedures and methods for formulating plans and directing their implementation. This has a direct impact on the process of renovating the mechanism of management that is being conducted by the state and the district level among the line of advancing agriculture a step further toward large-scale socialist production.

Third, socialist production relations in the countryside are further consolidated and strengthened. The transformation of agriculture in Nam Bo is going well. Production is developing, and the peasants' living conditions are stabilized and, in some respects, improved.

However, besides these fundamental advantages, the implementation of the new contract system has revealed some weaknesses. Many localities have yet to establish a rational economic structure and are slow in shifting to economic accounting and socialist business; and the new contract system has not yet been extended to cover the various branches and trades and other business sectors. The district level has not been made truly capable of vigorously developing its effectiveness in guiding the development of production and the consolidation of production relations. A number of policies are still heavily characterized by bureaucratism and subsidization; and they have made it difficult to shift the management of cooperatives to economic accounting and socialist business. Only slow increases have been realized in internal distribution and in the establishment of reproduction, welfare, and security funds in each cooperative and production collective. Problems concerning the procurement of products and delayed settlement of debts between cooperative members and the collectives, between collectives and state organs, and vice versa are common in many localities; and this has given rise to unhealthy phenomena in the countryside.

To abolish the bureaucratic and subsidy-based mechanism of management and gradually shift to economic accounting and socialist business in agricultural cooperatives in the spirit of the fifth Party Central Committee's eighth plenum resolution, it is necessary to improve economic management and perfect the system of end-product contracts in agricultural cooperatives. On the basis of developing motivation for the collective mastery of basic units and the laborers, efforts must be made to establish at all costs a new economic structure that encompasses specialized and intensive crop cultivation as well as comprehensive business; to abolish the bureaucratic and subsidy-based mechanism of management and gradually shift to economic accounting

and socialist business by comprehensively applying the various view-points, policies, and measures concerning management—for instance, reestablishing a system of rational economic—technical norms, fully accounting for production costs, and having every basic unit take the initiative to formulate plans for production, distribution, and consumption of products—and to improve planning and economic accounting based on the characteristics of each branch and trade, each production unit, and the entire cooperative.

Cooperatives and production collectives must improve the system of internal distribution and ensure the establishment of cooperative funds for expanded reproduction, welfare, and security. Within the cooperative, efforts must be made to abolish at an early date the system of egalitarian distribution and carry out distribution based on the results of production and business achieved by each branch and trade, each production unit, and each laborer. Products represent the grain distributed to the various branches and trades based on the requirements and characteristics of each type of work. Grain producers must be given an appropriate amount of grain for their own use. Surplus grain will be purchased by the state at agreed-upon prices as specified in the contract.

While the capital belonging to the collectives remains limited, cooperatives and production collectives wishing to expand production and business activities may mobilize idle capital of their members for common business and pay out interest at a rational rate determined by the collectives.

To perfect the product contract system, along with developing advantages and overcoming the existing shortcomings, every locality must, as an immediate step, simultaneously apply end-product contracts for labor groups and laborers to the various branches and trades and other production and business sectors. It is necessary to constantly increase the material-technical bases such as tools, draft power, fertilizer, crop seeds, and breeds of livestock; and repair and build farmland water conservancy projects, plant protection projects, veterinary medicine facilities, and means of transportation available to the cooperatives. Contract quotas and contractors must remain stable so as to encourage the laborers to invest more labor, capital, and materials in intensive crop cultivation for the purpose of surpassing contract quotas.

The cooperative managerial board and production units must coordinate their activities in directing the various operations of the production process with flexibility to suit each type of crop or livestock as well as the conditions of each area. Perfecting the product contract system must go together with building the district level and making it fully capable of supervising the basic units. All echelons and sectors must rapidly decentralize the management of the networks of

state-run technical, production, and circulation and distribution service organizations on the district level and link the responsibilities and interests of these three networks with the cooperatives and the end-products on a district-wide basis so as to establish an agroindustrial structure right from the start and gradually form a large-scale socialist agriculture.

ECONOMIC PLANNING, TRADE AND FINANCE

BRIEFS

NEW ECONOMIC ZONES--Over the past more than 10 years, Ho Chi Minh City has sent as many as 158,300 laborers to build new economic zones in wild areas in the outlying districts or fraternal provinces, and created conditions for some 400,000 people to return to their native villages to engage in production activities and stabilize their livelihood. In order to properly deploy and distribute manpower and population, the committee for building new economic zones, in coordination with the labor and public services, has surveyed the exact population in various areas. The city has organized 14,300 households with 16,300 laborers to build new economic zones in wild areas in the suburban districts of Cu Chi, Binh Chanh, Hoc Mon, and Thu Duc. These laboring people have built 7 state farms specialized in sugarcane, peanuts, and pineapple cultivation and covering 1,000 or more hectares each. Through vigorous efforts in cultivation and livestock breeding, each state farm has achieved an annual gross output value from 10-30 million dong. Typically, An Ha State Farm has developed even small industries and handicrafts to increase its income. The entire belt surrounding the city, which was ravaged by U.S. bombs and shells, has now been covered with green vegetation. As many as 7,000 hectares of wasteland have been put into cultivation to enrich the city. [Text] [Hanoi Domestic Service in Vietnamese 1100 GMT 3 Sep 85]

cso: 4209/655

AGRICULTURE

APPLICATION OF S&T METHODS IN AGRICULTURE IN 1985

Hanoi TAP CHI HOAT DONG KHOA HOC in Vietnamese Jun 85 pp 26-28

[Article by Trinh Van Thinh: "Application of Scientific and Technical Progress in Agriculture in 1985"]

[Text] Scientific and technical progress occupies a gradually more important position in the annual agricultural production plan.

In 1985, the agricultural sector finalized its technical progress application plan for all areas. The plan comprised 11 objectives, including the improvement of productivity and output of the most important plants, which are rice, corn, peanut, soybean, and fruit trees, and an aggregated number of issues to ensure increased production in the breeding of hogs, cattle, and ducks.

In function of economic and social objectives and production targets, each locality and base unit will apply technical progress in accordance with local plans.

The best ways are experimentation and demonstration of technical progress, and the provision of training to workers, primarily to rural youths.

In recentivears, the formulation, implementation and management of the Scientific and Technical Progress Application Plan [S&TPAP] in agriculture has been rationalized and achieved initial results in terms of production development and rural building. On the nomenclature list of S&T progress application tasks, certain types apply to main crop production and directly support the implementation of the annual production plan. Other types have recently been tested in either large or small areas and made ready to support the fulfillment of norms in following production plans. Certain types simply need to be disseminated and brought to people's attention in order that they be applied in a thorough and widespread manner. Certain types require the investment of more management for management cadres and workers directly involved in production, execution and management of S&TPAP at sectors, localities and production units.

The major targets of the 1985 agricultural production plan may be summarized as follows: 19 million tons of grain, 740,000 hectares of cash crops, 5.2

million cattle, 13 million hogs, 100 million fowl, 800,000 tons of meats, and 2 billion eggs. The 1985 agricultural plan for the application of scientific and technical progress contains the following themes:

- Building high-yield intensive-cultivation ricefields;
- 2. Building and improving plant-planting infrastructures in areas with different ecological conditions;
- 3. Soil improving and appropriate use of fertilizers;
- 4. Insect and disease prevention for rice, building plant-protection networks;
- 5. Building planting areas for high-yield corn;
- Intensive peanut cultivation;
- Intensive soybean cultivation;
- 8. Application of S&T progress in fruit-tree planting;
- Raising productivity in hog and cow breeding;
- 10. Raising productivity in duck breeding;
- 11. Use of some new machines and tools in production. [Parenthetical numbers hereinafter refer to these themes.]

In the application of scientific and technical progress in grain cultivation to reach the 19-million-ton objective, priority must be given to rice planting. Up to the present, we have determined sets of appropriate rice seeds for each crop in different rice-planting areas, and in conformance with the needs in intensive cultivation for each type. The process of intensive rice cultivation is a set of all-embracing measures including seeds, irrigation, fertilizers, soil enrichment, vegetation protection, use of improved machines and tools, labor organization, and product contracting. The application of scientific and technical progress in intensive rice cultivation (1), soil and fertilizers (3), insect and disease prevention (4), and machines and tools (11), aims at the intensive cultivation of various types of plants in which rice planting will take precedence with the largest planting area and the highest output.

In order to bring the whole intensive cultivation process to main crop production, it is not necessarily sufficient to determine technical methods, to create physical and technical conditions, and to provide scientific and technical information and training, sufficient attention must also be given to management measures. Appropriate organizational and management measures have played a decisive role, such as, for instances, in product contracting that created conditions for better rice transplanting, caring and harvesting; in the introduction of proper rice varieties able to produce enough good seeds that has required a four-level system of crossbreeding; in insect and disease prevention that has needed the organization of a tree-protection network

supported by the people's forces and contribution; and in rice irrigation or fertilizing which has required appropriate management measures pertaining to water conservancy, organic fertilizer purchasing and chemical fertilizer supply.

Our potential to enhance rice output is still great. Therefore, the introduction of scientific and technical progress in the rice-production plan must focus on supporting newer progress and intensive cultivation, and on augmenting rice output in following plans. Learning from leadership lessons over a long period of time, it has been accepted that "leadership through examples" brings the most concrete results. By the same token, agencies in charge of scientific research and technical development are currently testing high-yield intensivecultivation ricefields (1) which, for instance, reach from 8 to 10 tons per hectare per crop (output obtained by certain progressive cooperatives) as nuclei to be multiplied in following rice crops. Or, in intensive rice cultivation, in addition to the good seeds and improved technique factors, the laying of soil foundations for high-yield rice through scientific soil reforming is indispensable. These soil foundations are the essential basis for developing wet rice transplanting potential in each particular ecological condition (3). Moreover, intensive cultivation, crop increase and expansion of cultivating areas also require the determination of appropriate plants to be cultivated in each different rice-planting zone and of an appropriate crop rotation on the same piece of land, for instance, the system of spring rice, summer rice, and winter crop in the Hong River delta, and the two-crop, or one-rice-crop-and-one-soybean-crop system in the Cuu Long delta. Soil foundation for high-yield rice, high-yield intensive-cultivation ricefields, croprotation areas with the appropriate type of rice and with highest yield in each area, are used as premises for the better application of scientific and technical progress in following plans.

The above analysis pertaining to rice planting may be applied to other plants, in other words, development and better yield and quality in planting each type of plant require that the latter be classified in a determined system in each zone, and be alloted appropriate land, labor and material supplies. Likewise, methods of intensive cultivation must be sufficiently executed, primarily for those short-term, high-yield good varieties. However, with regard to each plant in a given planting time and area, there are certain S&T progress applications that may be considered essential in overcoming limitation factors affecting its yield. A conclusive completion of this requirement may spawn the successful achievement of the totality of the intensive cultivation technique. Let's take some examples of application of S&T progress on certain plants in the 1985 plan: corn (5), peanut (6), soybean (7), and fruit trees (8).

As far as the corn plant is concerned, high-yield varieties have been obtained by scientific research. But at present, its output in main crop production is still low because its intensive cultivation is uneven and not widespread enough, and it has not been alloted appropriate land, watering and fertilizers. In 1985, we will try to create high-yield corn-planting zones in thousands of hectares with a good variety as an investment for its intensive cultivation. To this effect, we will adequately apply S&T progress and economic accounting to demonstrate the effectiveness of introducing science and technology into

production and to use those high-yield corn-planting zones as models to expand its cultivation and to reach the highest average yield. If corn is evaluated as an important cereal after rice and as the basic feed for animal husbandry development, the importance of the application of scientific and technical methods in its intensive cultivation cannot be overstated. We expect that S&T progress will also be applied in planting sweet pototo and manioc, which are very important for out country. The potato plant in particular, has already gained a preponderant place in the winter crop of certain multicrop agricultural units.

We all understand the importance of the peanut, soybean and other plants in the pea family in solving our food problems, improving food intake, increasing export, enriching and ameliorating soil, and developing animal husbandry. We need to disseminate varieties of peanut that can meet export requirements, expand its planting in slope land, and to apply intensive peanut cultivation methods in order to reach higher yields. As far as the soybean plant is concerned, certain good varieties have been determined and introduced in appropriate planting zones in both the South and the North. It is planted by the most successful cultivation structures in spring and summer crops, in the context of intensive cultivation which aims at reaching a higher yield in the North and an even higher yield in the South. Other S&T progress applications are available for other plants in the pea family, and need to be included into the plans of each locality and unit.

In terms of fruit trees, adequate attention must be given to the application of S&T progress in large-scale specialized planting zones as well as in fruit-tree gardens of families and cooperatives. Home economics, whose backbone is fruit-tree and animal husbandry, is securing a truly important place in the economy. Its contribution is multifold: it helps solve grain problems, increase the formers' income. amd expand supply sources for export goods. The application of S&T progress in fruit tree planting must stress the selection of good varieties and their introduction into collective fruit-tree gardens which will serve as nurseries for all cooperative families. In the management domain, attention must be given to purchasing and manufacturing products derived from home economics, and to serve the state, the group, and each worker's family.

In the years ahead. animal husbandry development must be geared toward addressing animal husbandry's new missions: in addition to the provision of food, pull force and fertilizers, it must raise the income of poor rural families and of nonagricultural households, and meanwhile speed up the increase of animal husbandry export products. The application of S&T progress in the 1985 plan (9) aims at achieving animal husbandry targets, including export targets for this year and following years. The array of S&T progress applications include: breeders, feed, disease prevention, mechanization of animal husbandry, and organization and product contracting in animal husbandry. Physical and technical installations earmarked to carry out those applications are breeded nurseries, flocks of crossbred domestic animals, feed sources from the people and from industrial feed-manufacturing enterprises, and veterinary networks. Experience in the protection of bred animals based on the people's contribution needs to be disseminated. With their method of charging veterinary fees

and their networks of veterinary medicine and tool manufacturing, the veterinary cadres of all levels must absolutely be able to bring scientific and technical progress in the veterinary domain into production, protection of domestic animals, and development of animal husbandry, in order to meet planned targets.

Our potential in domestic animal breeding, including industrial chicken breeding in families and seasonal duck breeding, is still large. In conjunction with the application of S&T progress in industrial animal husbandry, we need to disseminate S&T progress in the areas of dispersed animal husbandry and family animal husbandry and provide good animal husbandry services: good breeders, feed, veterinary medicine, and dissemination and training in scientific and technical matters.

At present, while agricultural labor is primarily manual, machines and tools using machine power, electricity and the forces of man or animals are most appropriate. In the 1985 S&TPAP (11), machines and tools that have been studied and selected along that line will be introduced: axle water pump, phosphate fertilizer dispensing machine for rice, insecticide spraying plastic container, and peddling thresher.

The above mentioned S&TPAP is for the entire sector. In accordance with the requirement of the production plan and with their own economic and social objectives, each locality and production unit will complete the local plans with other S&T progress applications. As an example, for plants and animals that need to be locally developed, they will apply technical measures required to address their production needs. Even the application of S&T progress designed for the entire sector must accommodate local conditions and the situation of S&T problems derived from initial research that need to be solved, are the very foundations for the S&TPAP for the locality and the base unit. The local plans are a component of the agricultural production plan.

Once the S&TPAP is formulated, it must be disseminated and explained in detail to each production worker. It must be tested and demonstrated in the framework of local conditions and of the situation of the unit, and the production process must be tailored in conformance with the local land and related conditions. In the process of bringing S&T progress into main crop production, training must be provided to workers, and a movement of initiation to S&T methods must be instigated among rural youths.

9458

AGRICULTURE

THANH HOA FLOODING JEOPARDIZES RICE CROP

OW191025 Hanoi Domestic Service in Vietnamese 1100 GMT 17 Sep 85

[Text] On the struggle to save the rice in Thanh Hoa Province from being waterlogged, a report by Comrade Hoang Kim Dinh, a Thanh Hoa Radio Station reporter says:

Due to the effect of the recent tropical depression, for 5 consecutive days, from 9 to 13 September, torrential rains fell on all of Thanh Hoa Province, with a mean rainfall of 400-700 mm in the delta districts.

In addition to the rapidly swelling runoff, a tremendous volume of water kept flowing through Thanh Hoa from Ha Nam Ninh and Ha Son Binh Provinces. The combined water force has caused many dikes to break in the districts of Ha Trung, Tho Xuan, Trieu Son, and Thach Thanh. Virtually all the local rivers have risen to above the level-three alert. The waters in the Chu, Ma, Len, Lach Truong, Buoi, and Cau Chai Rivers swelled to very high levels, breaking the flash flood record levels. However, drainage of the excess water has been carried out too slowly, the capability being very limited. As a result, the mighty force of the flash floods has broken many dike systems along large and small rivers, plunging about a hundred villages in the districts under water. Nearly 10,000 homes in the province have been invaded by flooding waters; and some 60,000 hectares of 10th-month rice have been flooded, including over 40,000 hectares deep under water.

In the districts of Ha Trung, Thach Thanh, Nong Cong, Tho Xuan, and Trieu Son, 60-100 percent of the rice has been ravaged.

The Thanh Hoa party organization and people have applied the great experiences they have learned from the flooding and flash in 1973, 1978, 1980, 1982, and 1984. In the face of difficulties, Thanh Hoa has all the more proved its valor, resourcefulness, and creativity; it has successfully contained the damage; each district has developed its own strength.

In Ha Trung District, after the Voice of Vietnam's report on the morning of 9 September on the tropical depression and the expected heavy rainfall, the district party committee, people's committee, and flood and typhoon control committee immediately assigned comrades in the Standing Committees and other responsible members of the people's committee and flood and typhoon committee to the key areas to directly instruct the local organs and sectors to develop dike protection projects, transfer property, and rapidly evacuate elderly people, children, and weak women to safety. The flood and typhoon control forces of all organs, sectors, and localities, coordinating with the local public security forces and the district military command, have mounted guard around the clock at storages to protect property, and at bridges, culverts, and critical dike sections, and maintained public order and security while preventing and repressing negative acts. The militia and self-defense forces and youth shock forces of all installations have been mobilized to carry earth to mend or heighten the dike sections damaged by rain or overflown by flash floods.

In the great challenge facing them, the comrade provincial leaders have manifested a high sense of responsibility to the people, and have assigned members from the Standing Committee and other responsible members of the provincial People's Committee to give direct instructions and orders at critical dike sections, to resolve in time the pressing problems occasioned by the flooding and flash floods. Every sector and mass organization, each according to its own function, have quickly sent their members to basic units to help better discharge of pressing tasks.

All motor and diesel-operated pumps have been operating around the clock to combat waterlogging. In addition to district military and public security forces, provincial authorities have mobilized more than 30,000 shock youths to mount guard and do support work on dikes. Hundreds of transport vehicles have been commandeered to provide support work on dike protection and transport provisions, grain, and medicines to the key districts. Motor vehicles and boats have been sent to the seriously flooded districts to rescue people and salvage flooded properties.

Thanh Hoa's pressing tasks at present are devoted to rescuing people and solving their livelihood problems, to combating waterlogging to save the rice in the areas where rescue work is still possible, and to salvage flooded storage stocks and carry them to safety.

While continuing to direct the flooding-waterlogging combat work, the provincial authorities have initiated a plan to motivate the provincial people to make preparations for the greatest winter crop, to make up for the losses suffered in the 10th-month crop, under the theme, "Families assist families, villages assist villages, districts assist districts." Despite the difficulties facing them, the Thanh Hoa party organization and people are steadily advancing forward.

AGRICULTURE

WATERLOGGED AREA IN NORTHERN LOCALITIES DIMINISHED

OW191045 Hanoi Domestic Service in Vietnamese 1100 GMT 18 Sep 85

[Text] The Central Committee for Flood and Typhoon Control has reported that because of Typhoon No 3 and the tropical depression, heavy rainfalls during the last days of August have caused waterlogging and floods in almost all provinces in the Bac Bo Delta, Midlands, and Mountainous Region. Then Typhoon No 4 and another tropical depression in the northern part of our country have triggered torrential 200-400 mm rainfall from the upper sources of the Lo, Da, and Ma Rivers down to the Bac Bo Delta and Midlands Provinces. There were 777-821 mm rainfall in many areas, including Bac Quang in Ha Tuyen Province, Song Lo in Tuyen Quang Province, and Kim Boi in Ha Son Binh Province.

Due to heavy rainfall in the upper sources of rivers and to protracted rainfalls in the delta, the water level of many rivers, including the Da, Hong, Lo, Ma, Luc Nam, Cau, Thung, Thai Binh, Hoang Long, Buoi, and Cau Chay Rivers has risen quickly and exceeded alert level No 3. In many areas, the water level surpassed the highest mark ever recorded in history. At a number of dikes along small rivers in Ha Nam Ninh and Thanh Hoa Provinces, flashflooding inundated villages and ricefields. More than 100 villages were submerged and seriously affected, including 26 villages in Hoang Long District and 21 villages in Gia Vien District, Ha Nam Ninh Province and 39 villages in Thanh Hoa Province. Heavy damage was inflicted on the local people's property and crops.

Recent rainfall and flashfloods have submerged and spoiled nearly 390,000 hectares of 10th-month rice in the provinces of the Bac Bo Delta and midlands and of former Zone 4, including 95,000 hectares in Han Nam Ninh, 61,000 hectares in Thanh Hoa, 85,000 hectares in Hai Hung, 45,000 hectares in Ha Son Binh, 46,000 hectares in Ha Bac, and 22,000 hectares in Hanoi.

In the face of this situation, the Central Committee for Flood and Typhoon Control has closely coordinated with various sectors and echelons in actively protecting dikes and combating waterlogging to save the rice crop and in evacuating local inhabitants from low-level

areas. The electricity sector has supplied electricity on a priority basis to water-pumping stations to drain water unceasingly. Localities have mobilized all means and manpower to combat floods and evacuate inhabitants so as to protect the people's lives and belongings and the state property in the flooded areas.

As a result, almost all dikes along the banks of big rivers have so far been safeguarded. The broken parts of the embankments along small rivers have been mended to prevent water from entering the fields so that drainage work can be done quickly.

By 17 September the waterlogged area in various localities had diminished gradually and been reduced to more than 330,000 hectares, including some 156,000 hectares being totally submerged.

The water in the Red River has receded and is now below alert level No 3, while the water in small rivers has remained at this level.

In the face of this situation, the Central Committee for Flood and Typhoon Control has urged localities not to slacken but to continue to properly protect the dikes and make intensive efforts in combating waterlogging to save the rice crop and in overcoming the aftermath of floods in areas where the water has receded so as to stabilize the people's life.

AGRICULTURE

BRIEFS

HA NAM NINH FLOOD—Between 10 and 13 September, 450-744 mm of rainfall were recorded in Ha Nam Ninh Province, causing flooding of 90,000 hectares of rice and subsidiary food crops. The water level of all rivers in the province has risen fast. On the morning of 12 September, the water level of the Hoang Long river exceeded the highest mark ever recorded in its history and overflowed both river banks, submerging 90 percent of the rice areas in Gia Vien and Hoang Long Districts. Owing to active implementation of natural calamity control plans, the cooperatives in the two districts successfully moved the people and their property as well as public property to high grounds, thereby limiting the damage. [Summary] [Hanoi Domestic Service in Vietnamese 2300 GMT 14 Sep 85]

THAI BINH FLOOD CONTROL—Since a third-degree flood alert was announced on the Red River and the Thai Binh River system, 2,800 members of dike protection teams in 84 villages around the dikes have kept an around—the—clock vigil, while provincial cadres have been sent to Dong Hung, Quynh Phu, Hung Ha, and Vu Thu Districts to organize on—the—spot forces and mobilize local resources to quickly check and ensure the safety of 253 km of river and sea dikes. At present, 23,000 hectares of 10th—month rice in Thai Binh are being submerged. The province is making an effort to drain the rice fields by supplying electricity on a priority basis to areas where 60—70 percent of rice crop are inundated, zoning off the flooded rice fields, and using power and diesel pumps to save rice. [Text] [Hanoi Domestic Service in Vietnamese 2300 GMT 14 Sep 85]

HANOI PORT FLOOD CONTROL—Over the past few days, heavy rain and the high water level of the Red River have submerged the roads and piers in the Hanoi port area. To prevent a large quantity of food, supplies, and goods from being damaged by flooding, the Hanoi port has coordinated with various goods consignees in employing more than 1,800 laborers and 400 trucks to transport more than 4,000 metric tons of food and various kinds of goods and transfer nearly 2,000 metric tons of other merchandise on ships and barges to safe places. After 3 days of intensive work, the Hanoi port has completely moved the goods that needed to be transfered to safer places. [Summary] [Hanoi Domestic Service in Vietnamese 1430 GMT 15 Sep 85]

HEAVY RAIN SUBMERGES RICE--Hundreds of hectares of earing autumn rice in Northern Vietnam are being submerged due to heavy rains last week. To save rice from waterlogging and normalize the people's life are primary concern and urgent tasks of the administration of all levels. More fertilizer, rice strains, and seeds have been supplied to peasants in Ha Nam Ninh Province, south of Hanoi, to help them resume production. The people in the flood-stricken province of Vinh Phu have prepared more than 400 tonnes of rice strains and seeds to resume production immediately after the water subsided. [Text] [Hanoi International Service in English 1000 GMT 17 Sep 85 BK]

CSO: 4200/1553

HEAVY INDUSTRY AND CONSTRUCTION

COAL INDUSTRY SUPPORT FOR SOUTHERN PROVINCES NOTED

Hanoi TAP CHI HOAT DONG KHOA HOC in Vietnamese Jun 85 pp 2, 3, 13, 22

[Article by Tran Anh Vinh: "Ten Years of Service of the Coal Sector in the Economic Development of Southern Provinces"]

[Text] In the past 10 years, the coal sector has supplied the southern provinces with 1,343,947 tons of coal, organized a supply network, and provided guidance for the correct and efficient use of coal. In the meantime, the sector has also assisted the southern provinces in canvassing the exploitation and processing of peat for various purposes. In order to reach an annual output of from 200,000 to 250,000 tons of coal, primarily peat, starting in 1990. The coal sector also recommended four missions that the Ministry of Mines and Coal and related sectors must take the responsibilities to accomplish in order to assist the southern provinces in reaching the above-mentioned objectives.

These days, the people of the South, together with the people of our entire nation, are enjoying the commemoration of the 10th anniversary of the total liberation of the South. Under party leadership, the people of the southern provinces have achieved great successes in all the economic, cultural, social and national defense domains.

Together with other sectors, in the past 10 years, the coal sector has taken active measures to support the people of the southern provinces in their economic and social development.

Several years of partition of our country by the Americans and their puppets caused our people in the South to totally lose the habit of using coal. Fuel and other forms of energy-generating combustibles, such as charcoal, firewood, oil and natural gas were used for cooking in families and in collective kitchens. Most of those combustibles were imported from foreign countries. Firewood or oil was used instead of coal in the production of lime, bricks, tiles and cement.

In the past years, supplies of imported fuel ran into numerous difficulties and because of forest destruction operations waged by Americans and their puppets

during the war, charcoal and firewood were also in short supply for the people's daily use and for production.

Basically, coal is mined in the northern provinces, but its still low output is unable to meet the needs for national consumption and for export. However, in coordination with the transportation sector, the coal sector has set aside a substantial quantity of coal and organized a distribution network to supply coal for provinces in the South.

The Ministry of Mines and Coal has created the Binh Tri Thien Coal Supply Corporation, the Central Coal Corporation in Danang, the Southern Coal Corporation in Ho Chi Minh City, and seven other coal stations in Binh Tri Thien, Quang Nam-Danang, Nghia Binh, Phu Khanh and Ho Chi Minh City.

From 1976 to 1984, 1,343,974 tons of coal was supplied to the southern provinces. Broken down into annual figures, there was a gradual increase as follows: in 1976, 72,376 tons was supplied; 1977, 62,688 tons; 1978, 97,123 tons; 1979, 112,821 tons; 1980, 186,722 tons; 1981, 142,661 tons; 1982, 179,211 tons; 1983, 232,991 tons; and 1984, 257,381 tons. (The expected supply tonnage for 1985 is over 300,000 tons.) The above figures show that use of coal in the southern provinces, from almost nil, has reached over 200,000 tons per year. The quantity is indeed not substantial, but Quang Ninh coal has come to almost all the provinces of Binh Tri Thien, Quang Nam-Danang, Gia Lai-Kontum, Dac Lac, the delta provinces of the Tien and Hau rivers, as far as Minh Hai and Kien Giang provinces.

Coal supply corporations, while discharging their supply duties, provided guidance for localities in correctly and efficiently using coal. The Ministry of Mines and Coal dispatched many experienced cadres to several localities to provide assistance in using coal for the production of lime, bricks and tiles, to plan model coal stoves for collective kitchens serving from 200 to 500 people and teach the use of these stoves, all of which has been done smoothly.

However, as indicated earlier, coal produced in our country is still insufficient to address the essential needs of the national economy. Most coal is extracted in Quang Ninh. Its transportation from the North to the South is difficult and expensive, and is usually unable to meet planned targets. A ton of coal hauled to Ho Chi Minh City and neighboring provinces costs over 400 dong in transportation expense, which is higher than the production cost. Therefore, a total dependence on coal supplied by the central government would obviously be precarious.

This situation reguires state agencies to coordinate with and support provinces in the South in the exploitation of their local combustible resources. Except a couple of coal mines in Quang Nam-Danang, most other provinces in the South have only peat.

Since 1978, the coal sector has been doing capital construction for the exploitation of the Nong Son coal mine, helping Quang Nam-Danang in exploiting the Ngoc Kinh coal mine, and assisting Long An, Tay Ninh, Song Be, Thuan Hai, Kien Giang, Minh Hai, and several other provinces in exploring the exploitation of peat.

Exploitation and use of peat in our country is not yet substantial, but in the world nowadays, peat is relatively widespread. Approximately 300 million tons is exploited and used for various purposes. Initially used only as a popular combustible, peat now is used in industrial furnaces and serves as raw material for the chemical industry in the manufacturing of valuable chemicals used in important economic sectors, such as the gas and oil industry, the pharmaceutical industry and agriculture. Many countries made investments in capital and in scientific and technical cadres for the research, manufacturing and use of peat. Owing to technical progress, the use of peat has gradually gained acceptance and in the process of its research and utilization, many of its unknown values were uncovered.

In the southern provinces, primarily in those in the Nam Bo delta, peat reserves are estimated at about 100 million tons. Before the liberation of the South, these resources were not exploited at all. Since 1975 until the present, in order to address the urgent needs in the exploitation and use of peat in the southern provinces, the coal sector has dispatched a permanent survey delegation in Ho Chi Minh City to study the following 15 peat sites:

- U Minh Thuong-Kien Giang peat
- 2. Boa Loc-Lam Dong lignite
- 3. Hoa Na-Tan Ba-Dong Nai peat
- 4. Long Hung-Dong Nai peat
- 5. Gia Lai-Kontum lignite
- 6. Mo Vet-Long An peat
- 7. U Minh Ha-Minh Hai peat
- 8. Hon Dat-Kien Giang peat
- 9. Suc Khuat-Tay Ninh peat
- 10. Tan Ba-Song Be peat
- 11. Tri Ton-An Giang peat
- 12. Long Chu-Tay Ninh peat
- 13. O Mon-Hau Giang peat
- 14. Ham Tan-Thuan Hai peat
- 15. Thu Duc-Ho Chi Minh City peat.

These sites are only part of the known sites and have an estimated reserve of about 10 million tons and some of them have already been exploited by localities.

Besides the survey agency, the Ministry of Mines and Coal has also assisted in the exploration of Phong Chuong-Binh Tri Thien peat, written a proposal for the Ngoc Kinh coal mine, and provided assistance in some other tasks relating to peat exploitation and processing. Generally speaking, the exploitation and use of peat are closely linked to its processing and alternate use with other combustibles. As a first step, agencies in charge of research in peat processing assisted the provinces of Binh Tri Thien and Long An, Ho Chi Minh City, Hau Giang Province and some other provinces in alternately using peat for baking bricks and tiles, and in making beehive-shaped briquets for local consumption.

Up to the present, the exploitation, processing and use of peat in the southern provinces are in their first stages. On the other hand, the use of peat is not yet widespread, and as a consequence, the annual average output is only between 60,000 and 70,000 tons, including from 10,000 to 15,000 tons of coal.

To address the needs in fuel and energy in the new period, the coal sector is stepping up the capital constructions of the Nong Son coal mine, visualizing an annual output of 100,000 tons. Meanwhile, in coordination with other ministries and sectors at the central level, it is assisting provinces in exploting peat, striving to reach an annual local output of 200,000 to 250,000 tons, including from 20,000 to 30,000 tons of coal (from the Ngoc Kinh mine).

In order to achieve this objective, the Ministry of Mines and Coal recommends a coordinated effort from ministries and sectors at the central level to assist provinces in the South in accomplishing the following tasks well:

- 1. To make a total and systematic evaluation of peat resources in the South in order to formulate a long-range exploitation plan. Detailed survey of each potential site needs to cover the amount of reserves available, peat quality, and related exploitation factors such as transportation, weather, hydrography and environment.
- 2. To provide technical assistance, capital, and exploitation equipment for southern provinces in all survey, extraction, processing and utilization phases. To rapidly determine appropriate exploitation and processing industries, chiefly with regard to peat, in accordance with natural resource and environmental conditions, and consumption habits of the people in the southern provinces.
- 3. To boost scientific and technical research to support the extraction, porcessing and utilization of peat in the South. From now until 1990, its main study themes will still be geared toward the use of peat as a combustible for household consumption, and production of construction materials including the theme of substituting U Minh peat for rich coal for ship turbines). The first themes will be the use of peat in industrial furnaces, peat as a fertilizer for soil enrichment, peat in the manufacturing of chemicals used as biological stimulants, and peat in support of cultivation and animal husbandry.

Scientific and technical research must also center around natural, ecological and environmental conditions relating to peat exploitation and also the effects of exploitation on the immediate environment in order to get the most efficient exploitation methods.

4. Generally speaking, exploitation and use of peat resources in the South is a new issue. The state needs to instate appropriate policies to encourage and to assist localities in investment capital for survey, and in technical installation equipment to allow them to efficiently extract and use their peat resources. At the same time, exploitation and processing must be done in conformance with regulations, technical standards and safety rules, and state supervision and control must be strengthened in matters of technical management and labor safety in mining, in order to minimize losses of resources and to strictly enforce economy measures.

In the past 10 years, although the coal sector has endeavored to supply and teach the use of coal and the exploitation and use of peat, achievements have only been marginal. We believe that, together with coal supplied by the state, the exploitation and utilization of peat potentials in the southern provinces will certainly contribute to solving the basic needs of the people in combustibles, and for the production of construction materials for the building of new socialist rural areas.

With their inherent dynamism, creativity and sensitivity to the new, and with the active support of ministries, sectors and scientific and technical organizations, the people of the southern provinces will certainly accomplish their missions in exploiting and using local coal and peat resources.

9458

TRANSPORTATION AND COMMUNICATIONS

BRIEFS

RADIO, TV ANNIVERSARIES--Hanoi, VNA, Sep 7--A meeting was held here this afternoon by the Vietnam Radio and TV Commission to mark the 40th founding anniversary of the radio's 'Voice of Vietnam' and the 15th anniversary of Vietnam TV service. Among those present were Hoang Tung, secretary of the Communist Party of Vietnam Central Committee; Cu Huy Can, minister in charge of culture and arts at the office of the Council of Ministers; Lieutenant General Dang vu Hiep, member of the CPV CC, deputy director of the general political department of the Vietnam People's Army; Tran Dong, member of the CPV CC and vice minister of interior; Vu Mao, member of the CPV CC and first secretary of the Central Committee of the Ho Chi Minh Communist Youth Union; Ha Xuan Truong, alternate member of the CPV CC and head of its department for culture and arts; and Dao Tung, director general of Vietnam News Agency and secretary general of the Vietnam Journalists' Association. Tran Lam, member of the CPV CC and chairman of the Vietnam Radio and TV Commission, delivered a speech reviewing the service's activities and development over the past 40 years. Now, he said, all the 36 provinces, three big cities and a special zone in the country have their own radio stations. Addressing the meeting, Hoang Tung praised the great achievements recorded by the service and urged its cadres and workers to work harder for greater successes. [Text] [Hanoi VNA in English 1540 GMT 7 Sep 85 OW]

CSO: 4200/1513

HEALTH, EDUCATION AND WELFARE

40TH ANNIVERSARY OF ANTI-ILLITERACY DRIVE OBSERVED

OW072142 Hanoi VNA in English 1544 GMT 7 Sep 85

[Text] Hanoi, VNA, September 7--A meeting was held here today by the Ministry of Education to mark the 40th anniversary of the anti-illiteracy drive and the movement for complementary education.

It was attended among others by Nguyen Huu Tho, vice-president of the State Council and National Assembly chairman; Hoang Quoc Viet, honourary president of the Vietnam fatherland front Central Committee and deputy head of the Complementary Education and Anti-illiteracy Committee and Mrs Nguyen Thi Binh, member of the Communist Party of Vietnam Central Committee, minister of education and deputy head of the said committee.

Initiated on 8 September 1945 by President Ho Chi Minh the anti-illiteracy drive widely spread throughout the country, involving millions of people. After only 1 year, 2.5 million out of 15 million illiterates could read and write. So far, primary education has been popularized in 11 northern provinces and cities and the power and coal industries, while 80 per cent of leading officials in northern delta and midland areas have finished their secondary education.

The villages of Cam Binh (Nghe Tinh Province), Cat Hanh (the central province of Nghia Binh) and Phu Phung (the Mekong Delta Province of Ben Tre) have been awarded the UNESCO prizes and certificates of merit for their achievements in promoting the adults' education. Vuong Kiem Toan, former director of anti-illiteracy office was also presented with a UNESCO certificate of merit.

On the international anti-illiteracy day (September 8) this year, UNESCO decided to confer the "Moma" prize on the complementary education department of the Vietnamese Ministry of Education in recognition of its achievements.

Addressing the meeting, Chairman Nguyen Huu Tho commended the anti-illiteracy and complementary education service for its great achievements over the past 40 years and pointed to the important role played by the service in raising the people's cultural standard.

CSO: 4200/1513

HEALTH, EDUCATION, AND WELFARE

THANH HOA PROVINCE RAVAGED BY SEVERE FLOODING

OW162349 Hanoi Domestic Service in Vietnamese 1100 GMT 16 Sep 85

[Text] A recent message from a Thanh Hoa radio station reporter says that torrential rain fell in Thanh Hoa on 10-12 September, with a mean rainfall of 450-700 mm.

The heavy rain and high tide has raised the waters in all local rivers to above the level-three alert. More than 60,000 hectares of rice have been seriously ravaged by waterlogging, including the total submersion of 42,800 hectares of 10th-month rice.

Thirty-five villages and 2,500 homes, with over 100,000 people, are located in the area seriously ravaged by flooding and flash floods.

In order to cope with the situation, provincial authorities have mobilized forces and facilities to build dikes while combating waterlogging to save the rice, and evacuating people and property from the low-lying areas to high ground. To better combat waterlogging and save the rice, provincial authorities have an additional 68 motor pumps and 41 MTH motor pumps, which have been operating around the clock. They have also mobilized 30,000 shock youths and hundreds of thousands of people to build and protect dikes, and dispatched thousands of public health cadres to the seriously flood-stricken areas to care for the people's health, in order to rapidly stabilize their livelihood and boost production.

HEALTH, EDUCATION, AND WELFARE

BRIEFS

HAU GIANG DROUGHT CONTROL—To date, due to prolonged drought, Hau Giang Province has planted only 244,172 hectares of 10th—month rice, fulfilling 78 percent of the planned target, a decrease of 25,817 hectares compared to the same period last year. My Tu, Phung Hiep, Long My, and Chau Thanh Districts have fulfilled only 50-70 percent of their rice planting target. The province is guiding various levels and sectors in concentrating on finding water to combat drought and stepping up the planting of the 10th—month rice crop. In the entire province, 153,000 hectares of rice have been affected by drought, with more than 17,000 hectares of rice plants and rice seedlings written off as a complete loss. [Excerpt] [Hanoi Domestic Service in Vietnamese 2300 GMT 17 Sep 85]

cso: 4209/655